ROUTLEDGE INTERNATIONAL HANDBOOKS

The Routledge Handbook of the Gig Economy

Edited by Immanuel Ness

THE ROUTLEDGE HANDBOOK OF THE GIG ECONOMY

Research on the growth of the precarious economy is of significant interest as the economy increasingly becomes dependent on gig work. However, as platform and automated service work has grown, there remains a chasm in understanding the key aspects of digital labour.

This handbook presents comprehensive theoretical, empirical, and historical accounts of the political economy of informal work from the late 20th century to the present.

It examines the rich and varied analysis and critique of the informalisation of work, focusing on its most significant theories, intellectual traditions, and authors. It highlights the political, social, cultural, and developmental impact of the deterioration of employment in the Global North and Global South, as well as the extreme threat posed to the planet by the growth of contingent work, poverty, and enduring and increasing inequalities produced and reproduced by the reformation of capitalism in the contemporary age of neoliberal capitalism. The period from the 1980s to the present is marked by the expanded extraction of surplus value from workers through the creation of non-standard jobs and the restructuring of work. A central component of the restructuring of work is the extension of gig employment through the development of algorithmic platforms which direct labourers to perform discrete tasks.

This is a definitive collection, representing the primary reference work, contributing to our understanding of the subject.

The book is written and presented in a clear manner, accessible to scholars and researchers of international political economy, labour economics, and sociology who are eager for new research examining this phenomenon, as well as specialists in the field of labour relations.

Immanuel Ness is Professor of Political Science at Brooklyn College of the City University of New York, NY, USA and Visiting Professor of Sociology at the University of Johannesburg, South Africa.

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FOREWORD

Research on the gig economy has grown almost as quickly as the gig economy itself. In particular, platform work has become a focus of much debate that brings together issues of work, the so-called future of work, the role of technology, state regulation, and possibilities or challenges for worker organising. The debates are both about platform work itself and about the changes to political economy and the wider possibilities for social change today.

These issues have a pressing relevance for those working in or interested in platform work, as well as much more widely. The interventions of platforms will not be limited to the industries that they currently operate in, including food and grocery deliveries, private hire transportation, cleaning, and domestic work. As Callum Cant argues in *Riding for Deliveroo*, platforms are a laboratory for capital. It is here that new management strategies and technologies are being experimented with. The success – or indeed failure – will shape work beyond far beyond platforms.

In the wake of these debates, it is important to remember that when researching work, there are already many people out there experiencing and trying to make sense of it, as well as struggling to change it. While research on the gig economy may have grown, so too have the protests, strikes, and campaigns from workers. For example, since the first strikes of Deliveroo riders in London in 2016, food delivery platform workers have regularly taken wildcat strike action. Strikes have been coordinated across Europe with increasingly transnational campaigns. In 2021, workers from countries across the world where Deliveroo operate coordinated action to protest against Deliveroo's IPO (initial public offering). The campaign had a significant impact on Deliveroo, with the *Financial Times* calling it the worst IPO in London's history and almost £2 billion lost from the opening valuation.

Along with the growing worker action against platforms, the context in which much of this work was carried out rapidly changed. Many of the risks of precarious work and bogus self-employment came starkly into relief, with most platforms doing little or nothing to protect workers during the pandemic. In some countries like the UK, the public discourse briefly shifted towards praising 'key workers', whether in healthcare or those delivering food to homes during lockdowns. This quickly evaporated, not leading to improvements in the conditions of platform work.

On both counts, we are now a long way from the early debates about the 'sharing economy'. As platforms and the struggles against them develop, research is developing across different disciplines and with diverging interests. For many coming to the field now, the scale of the literature

can make it very difficult to find an entry point, let alone make sense of it. In this much-needed handbook, Immanuel Ness has brought together an impressive range of chapters that introduce readers to the topic and the debates. It will find a readership across a range of disciplines and academic levels, as well as more widely with those looking to understand the gig economy today.

In particular, the book equips readers with two important arguments. First, it provides a critical overview of the debates that have taken place in the literature. This is a valuable conceptual grounding for further research and discussion. Second, the global scope of the book introduces readers to the similarities and differences in the gig economy in regional and national contexts. As platforms are an increasingly global phenomenon, this wider view of the developments is vital for understanding their impact. They show how platforms have adapted to the local labour markets, regulations, and forms of workers' struggles, highlighting how the gig economy can be changed from the form we find today.

The chapters throughout the book are an excellent starting point for understanding the gig economy, as well as rethinking the role of critical research on the topic of work. It should come as no surprise to those familiar with Immanuel Ness' research that the selection of chapters draws attention to workers' experiences and struggles. The scope goes far beyond the focus that is often found on transport platform work in the Global North, to take in the increasingly global context of the gig economy. The highlighting of the role of gender and migration within this work is particularly important for moving the debates forward, rooting the analysis in forms of oppression and exclusion.

The chapters in this book provide an important reminder that platform work is also a laboratory for workers' struggles, not only capital. Critical research can help to draw out the lessons of the experiments for both the gig economy and wider struggles. Readers of the book will be equipped to undertake further research and organising to see where these experiments could lead.

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INTRODUCTION

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In today's world, more people than ever are questioning whether the stated motivations of multinational corporations in the richest and most powerful nation-states' rationalisations for the pursuit of profits are not merely commercial, industrial, and financial rationalisations for greater accumulation of profits at the expense of workers who are entering new precarious jobs. *The Routledge Handbook of the Gig Economy* will address the rise of platform technology and the signal transformation of work and in the global political economy.

The growth and expansion of precarious jobs have been facilitated by the development and commercial application of automation and robotics in a growing segment of the global labour market, known as the gig economy. In January 2020, just before the coronavirus pandemic placed the world economy into the most extensive global recession in a half century, the gig economy has remained robust and strong (Woodcock & Graham 2020). Indeed, labour in the gig economy has expanded as a result of the growth of remote financial transactions in a range of services, services, manufacturing, and beyond. *The Global Gig Economy: Towards a Planetary Labour Market* reports that 70 million workers were employed in the worldwide gig economy, making up $15–20 billion in revenue. The spectacular growth of 'planetary-scale infrastructures of computation' in the gig economy would expand in just five years to constitute one-third of all labour transactions by the year 2025 (Graham & Anwar 2019).

The term 'gig economy' has become ubiquitous and increasingly a part of the critical lexicon of scholars and researchers concerned with contemporary transformations of the global political economy and international affairs. Around the world, economy, culture, politics, law, and even the nation-state itself are profoundly shaped by the institution of informal work and the gig economy. Yet as the institution of the sharing economy takes hold, in academia and beyond, there is a glaring inattention to the growth of informal and gig work in international political economy. This oversight is a major obstacle to understanding and, as such, *The Routledge Handbook of the Gig Economy* is conceived as highlighting this fundamental but often overlooked aspect of the global political economy today.

The Routledge Handbook of the Gig Economy presents 51 comprehensive theoretical, empirical, and historical accounts of the political economy of informal work from the late 20th century to the present. Written by the leading and most respected experts, academics, and scholars working in the field of global political economy, the *Handbook* provides detailed studies of the gig economy's roots, goals, methods, and impact around the world. We focus on the technology,

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capital investment and funding, and the consequences for workers in the burgeoning economy, then discuss the ramifications for workers in a range of industries and the pernicious effects on women, people of colour, immigrants, and the Global South. Then the chapters provide a range of industrial and country-specific case studies by leading scholars in this rapidly increasing segment of the global economy. The chapters in this volume examine the correspondence of the rise of informalisation of work with the rise of the gig economy. Taken together, the chapters reveal and uncover the most significant theories, intellectual traditions, and scholarship on informality and the gig economy.

Research on the growth of precarious economy is of great interest to political economists, development studies scholars, sociologists, and information system scholars as the economy increasingly becomes dependent on the platform and gig work. In particular, the research and scholarship in this volume on the gig employment provide a broad scope to appeal to the latest research in the field. While the transformation of labour and work is central to the study of the humanities and social sciences, until now, research and literature in political science, political economy, sociology, geography, and other fields have been scarce. However, as the gig economy has dramatically expanded over just the past five to ten years, in the affluent countries of the Global North and throughout the world, as well as underdeveloped countries in the Global South, academic interest has expanded dramatically about the most significant developments in different industries and regions. As platform and automated service work has expanded, this book seeks to fill a chasm in understanding the key aspects of digital labour and platform capitalism. This collection addresses the fundamental debates around precarious labour and the gig economy that are emerging within the social sciences.

A significant feature of *The Routledge Handbook of the Gig Economy* is an examination of the gig economy and labour in major world regions, to include Part III, which will provide a comparative examination of the transformation of labour and the gig economy in key industries, global regions, continents, and countries: North America, Europe, Asia, Africa, Latin America, and Oceania. We also highlight the political, social, cultural, and developmental impact of the deterioration of employment in the Global North and Global South, as well as the extreme threat posed to the planet by the growth of contingent work, poverty, and enduring and expanding inequalities produced and reproduced by the reformation of capitalism in the contemporary age of neoliberal capitalism. This period, c. 1980 to the present, is marked by the expanded extraction of surplus value from workers through the creation of non-standard jobs and the restructuring of work. A central component of the restructuring of work is the extension of gig employment through the development of algorithmic platforms which direct labourers to perform discrete tasks.

The Routledge Handbook of the Gig Economy is divided into five key parts.

Part I: Conceptual perspectives and approaches

Part I addresses key conceptual perspectives and approaches to the gig economy that are driving the meteoric expansion of the platform as a new relation of ownership and work. In Chapter 2, Uma Rani and Nora Gobel examine the growth of job instability, precarity, and inequality in the global gig economy labour market, drawing on key themes and dynamics that are being set into motion by international and national capital, propelled by the dramatic growth in capital investment in platform investments. In Chapter 3, Patrizia Zanoni and Frederick Harry Pitts reveal the gig economy is marked by exclusion and inequality for the surplus labour that is entering labour markets throughout the world. While the platform economy is portrayed as an extraordinary opportunity for those workers who are in historically marginalised and low-wage socio-demographic

strata, the platform economy further relegates these workers to even lower wages and precarious positions that form part of a reserve army of labour where labour protections are jettisoned, and subordinated workers can only depend on the platform for social reproduction on a global basis. This reserve army of labour competes with one another to drive down wage costs even further and all but abolish the capacity for workers to survive. As the global labour market expands dramatically, the capitalist market does not provide the social reproduction needs of workers, pushing the vast majority of workers and their families into precarity and abject poverty. Next, in Chapter 4, Austin Zwick examines the financing of platform start-up firms in Silicon Valley, revealing the enormous incentives for venture capital to invest in platform firms that will inescapably erode the condition of work through wiping out existing sectors of the economy which provide labour with living wages. Investors are motivated by the massive profits that can be accumulated through destabilising labour markets and replacing them with platforms, which do not provide standard employment relationships, thereby significantly reducing costs through escaping regulations that have been established over nearly a century. Financing the gig economy is a lucrative endeavour for investors who are investing in new technology companies bent on undermining labour markets and extracting profits from new sources of labour exploitation.

In Chapter 5, Gemma Newlands then introduces the algorithmic surveillance of the gig economy and their deleterious consequences for labourers. Newlands demonstrates that location-based gig work, particularly ride-hailing and on-demand delivery, rely on 'algorithmic surveillance', where certain monitoring, assessment, and managerial tasks are conducted by algorithms. However, Newlands shows that the relegation of surveillance and management tasks to algorithms render platform organisations reliant of the captured locational data, as well as close correspondence between the data captured and the material reality of the work itself. The chapter summarises current mechanisms, opportunities, and limitations of real-time location tracking, focusing on new developments in ride-hailing and on-demand delivery platforms and assesses how the limitations of the 'algorithmic gaze' make over-reliance on algorithmic surveillance a risky organisational strategy. Without robust additive surveillance, by customers or human managerial staff, organisations will lose insight into their business activities and insight into the material embodied reality of their workforce.

Next, in Chapter 6, François Pichault and Frédéric Naedenoen turn to high-skilled workers in the gig economy and the challenges they raise for organisations, which do not have managerial power to direct and supervise their work. Thus, the authors illuminate the transactional power that some gig workers may in fact obtain through autonomy, as if they are in demand. Platform firms do not have the equivalent capability to manage these workers. Chapter 6 reveals that low-wage gig workers may have the upper hand to reduce their job and income insecurity if they are to conform to management directives in a capitalist economy. The authors examine the relations that may be established with a range of organisational actors – client organisations, trade unions, and representatives – to persuade workers to conform to management dictates. The chapter explores three primary dimensions: work status, work content, and working conditions of skilled gig workers in determining if these labourers will comply or resist management dictates. By applying an 'ecosystem perspective', the authors suggest that managers do not necessarily benefit from worker autonomy but may seek channels to seek cooperation.

Part II: Globalisation, women, and migration in the gig economy

Part II begins with an analysis in Chapter 7 by Christophe Degryse of the fictitious acceptance that the platform economy will tangibly improve living standards. In this chapter, Degryse exhibits that the classical models of workplace, working time, and working-class organisation

have unravelled in the 20th century into a fissured workplace through outsourcing, global value chains, and the coordination of subordinate companies. In this new labour regime, the platform economy and the new forms of externalisation of work contribute to the erosion and disappearance of previous foundations of work built on regulation of place, time, and collective organisation. The emergent and expanding platform economy has broken the relationship of workers to firms, colleagues, working hours, and health and safety regulations, and it has introduced precarious work to the Fordist economy through the introduction of autonomous collectives, resistance, and demands against amorphous employers against feeble trade union endeavours to train resistance against employers. New practices of struggle and challenge are emerging against the platform economy, but they are only in the formative stages and must be reimagined and reinvented to match up against new challenges.

Next, in Chapter 8, Domenica Farinella and Davide Arcidiacono examine global supply chains in the gig economy in the post-Fordist era in which informal and precarious labour relations are the dominant form of production. Informal labour is no longer considered an inferior form, but it is integral to the global system of production and commodity exchange. The chapter perceptively view informality as a crucial element within capitalism, thus rendering the dominant perspectives on economic modernisation as unrelated to the objectives of the capitalist system of global production chains. The chapter suggests that the platform economy represents the most recent form of neoliberal capitalism by imposing and technologically reshaping traditional labour relations, rendering a growing share of employment as precarious and unstable. In this dialectical process, social relations are transformed as profitability replaces production as a primary focus of work, which is devaluated, even as it is essential to capital accumulation. Farinella and Arcidiacono view the digital transformation as fundamental to the transformation of the production process within the global capitalist value chains. The rise of gig labour in service industries is generating growing insecurity and informality with an intensification of workloads and greater exploitation of the workforce. The diminution of labour is a major theme in the gig economy and leads to uncertainty among the growing ranks of gig labourers across industries. Globalisation and contract labour restrict the ability of workers to employ traditional forms of resistance as control and power are consolidated by finance capital. Moreover, as this flexible global system creates fragmented work, labour's capacity to resist through withdrawing is diminished. Categorically, entrepreneurship is a myth propagated to generate ideological control over the system by the capitalist system of indoctrination and communication, but it is a disciplining force on workers exerting their dialectical power.

The gig economy is an integral component of global neoliberal capitalism, which permits finance capital to invest in new technological platforms across the platform to erode wages and labour standards. In particular, the platform economy has deleterious consequences on rising poverty and inequality among the poor and working class, women, people of colour, and migrant labourers who traverse the world under the misleading impression that they will make their lives better through higher wages and economic condition of their families back home.

In Chapter 9, Eloisa Betti and Eileen Boris address the Fordist order of mass production and unionised workers in the West, including the end of the male breadwinner wage and the demise of standard employment. As most work becomes similar to women's work, the feminisation of labour is a structural feature of the post-Fordist order, closely linked to processes of informalisation and precarisation. The redefinition of workers as independent contractors, the spread of flexible working arrangements, and the impact of global supply chains have transformed the world of work. Indeed, the 'discovery' of the informal sector in the Global South in the 1970s occurred as the Global North encountered the unravelling of the Fordist order, prefiguring the need to adapt labour standards, the social wage, and collective bargaining. Betti and Boris

assert that a feminist intersectional perspective illuminates these processes. The proliferation of the gig economy and the rise of the service and care sectors is particularly noteworthy, where women and men from stigmatised races, ethnicities, religious, and castes have predominated, In the shadow of COVID-19 pandemic, the authors assess those deemed essential workers amid global precarity.

In Chapter 10, Rebecca Zahn and Nicole Busby examine women's labour and the gig economy in a rapidly changing system of labour from traditional to non-standard arrangements that are challenging its social and collective dimension. The rapid growth of what is collectively referred to as the gig economy, by which workers are engaged on short-term contracts or one-off assignments, often of a peripatetic nature, sometimes online or through the use of a mobile phone app, has brought these concerns to the forefront of the debate. For traditional trade unions, this shift in working arrangements brings particular challenges. However, much of the debate in the existing literature takes as its point of departure the 'standard' (male) worker and views the divergence in working arrangements as a threat to this model. In fact, trade unions have been challenged by non-standard work since their inception: the alternatives to the full-time, permanent 'job for life' which have now entered the mainstream have long been the norm for many women workers, yet women and the gendering of work have rarely been the subject of discussion. The chapter contests received wisdom that these 'new ways of working' have led to a current revolution in the world of work and posits that the 'revolution' has in fact been happening for far longer than contemporary analysis might have us believe and has long been led by women workers who have had to adapt paid work because of competing care responsibilities

Chapter 11, an ethnographic study of migrant experiences of gig work in Amsterdam, Berlin, and New York City, presents Niels van Doorn's conjoining of liminal precarity and compromised agency. The chapter examines what actions migrants in the Global North engage in to take up gig work and remain in the industry despite precarious conditions, by investigating the role that gig platforms play in their life-building trajectories. Both food delivery and domestic work have been characterised by informality and exemption from – or absence of – regulatory frameworks in all three national settings included here, shoring up the gendered and racialised exploitation of the immigrants and minorities who continue to shoulder most this work. Gig economy companies have filled this regulatory void by quickly scaling their business and mobilising platform architectures, venture capital, and cheap labour to turn previously marginal economic transactions into the basis of a capital- and data-intensive global industry. It was at this point that regulators started to take a more serious interest in the precarious conditions of this ostensibly 'new' type of work.

Chapter 12 also focuses on labour migration and the gig economy; Moritz Altenried analyses the relation between migration, stratified labour markets, and the gig economy through extensive research in several projects on gig economy platforms, migration, and urban space in Berlin, Germany, and other European cities. In Berlin, the chapter explores the dynamics and tendencies of migration and mobile platform labour and extends its scope to the global dimension. It investigates the specific reasons why digital platforms are attractive to migrants and their experience with platform work. Digital platforms, it turns out, often play an important role for these migrant workers and their mobility projects. From the perspective of the platforms, on the other hand, the crucial combination of algorithmic management and flexible contracts allows them to tap into the latent reserve army of migrant workers and manage them effectively. Altenried asserts that the very characteristics of gig economy platforms – conceptualised as a combination of algorithmic management and flexible employment relations – make them perfectly suited to exploit migrant labour. Moreover, even beyond the world of digital platforms, the specific combination of algorithmic management and hyper-flexible contracts allows the

inclusion of very heterogenous, often migrant workforces into production processes in numerous industries. The intersected transformations of digital technology, flexible labour, and new cartographies of mobility and globalisation are theorised in the context of a dynamic of the multiplication of labour.

Part III: Worker protest and labour organising

Trade unions have been in decline for over 50 years as a result of a multiplicity of factors, not least the relocation of industry to new low-wage labour markets in the Global South and legislative initiatives in the Global North to erode their power to claim a larger social wage and disrupt producer and supply chains. In the United States, the erosion of trade unions has transcended nearly every sector of the economy, especially services and government services. While workers often engage in resistance to reduced wages, declining conditions, and the reduction of the social wage, mobilisation alone is not sufficient, as protests and strikes do not have the organisational and political clout of the past and can be ignored by political officials. Legislation and court rulings have allowed workers to benefit from union negotiated wages and benefits without paying dues, further undermining the power of unions. In addition, unions themselves have to bear much of the blame, as many leaders and officers have become ossified and bureaucratic motivated by preservation of leadership over fierce and militant action. Consequently, strikes as a whole have declined and rank-and-file members have become cynical and passive. Unions do not necessarily procure higher wages from employers and the state. As capitalism on a global scale is challenged by Global South workers, whose economies were plundered by centuries of political, military, and economic imperialism, in the Global North, workers continue to benefit from unequal exchange derived from their developed status.

The application of new labour-saving technology, workplace surveillance, and anti-union campaigns have further grinded down trade unions to the point that wages have not kept pace with the cost of living. In this atmosphere of fear, intimidation, slack labour markets, and management's prerogative to employ labour-saving technology, workers in the gig economy are even under greater pressure to resist, as most trade unions are not drawn to organising long-term campaigns to recruit labour into their ranks. Thus, most resistance by workers takes the form of spontaneous protest against the worst abuses and infringement of privacy of management. Those organisations which resist tend to try to impede the application of new technology, thereby sustaining wages and benefits – for instance, in Europe. But to resist in an environment of platform supremacy is arduous and not likely to lead to tangible gains. Platform companies are intent on reducing wages, contracting services, and refusing to take responsibility of gig workers as employees. Still, it is significant that workers continue to resist through creating their own autonomous organisations to improve conditions marginally in the short run, with a faint hope of organising a strong labour movement in the future that will likely take on a new form of existing trade unions.

Yet it is remarkable that workers continue to resist oppressive conditions even as they do not have the tangible organisational capacity to take on management and build strong unions. In Chapter 13, Vincenzo Maccarrone and Arianna Tassinari reveal the presence of worker solidarity among precarious workers. They note that workers in the gig economy, where precarious labour is dominant and managers exert control, workers surprisingly mobilised against oppressive conditions, providing cogent examples of worker solidarity and resistance to the platform economy.

In Chapter 14, Kurt Vandaele provides a literature review assessing the accumulated knowledge on employment relations within app-based food delivery. Vandaele asserts that the

geographical focus is on high-income countries in Europe. Apart from regulatory matters on employment status, research on employment relations within food delivery platform companies has mainly focused on three main areas. The bulk of empirical research is focused upon unpacking algorithmic management which is applied by the platforms for monitoring and controlling labour, often in relation to practical experience of couriers or its effects on their working conditions. The chapter reviews the mapping of forms of individual or collective resistance by couriers, whereby resistance or the lack thereof has mainly been explained via labour process theory. Finally, the chapter examines research explored and categorised emerging 'new' types of collective representation and informal organisation, including examining the promises of labour market intermediaries.

In Chapter 15, Davide Però shares the view that established unions are unwilling or unable to organise gig workers, and thus, workers must resort to self-organisation to build a modicum of resistance to the all-powerful platforms. Però observes that these new formations have often been effective in obtaining concessions from employers – including, for example, the living wage, sick and holiday pay, and the end of subcontracting – and bogus self-employment. Next, in Chapter 16, Riccardo Emilio Chesta corroborates this phenomenon, as the implementation of new technologies have not contributed to the absence of worker mobilisation and insurgency, but oftentimes it foments protest as labourers must take on the gig economy through their own efforts. It is not unusual for platform companies to increase wages and improve conditions to retain disgruntled workers and to prevent mass unorganised strikes. In this way, the absence of unions that were established in the past open up new possibilities for struggle against employers, as there is no intermediary to prevent workers from engaging in mass actions that discredit the new technology platforms that are introduced to grind down worker power. For Chesta, digital transformation is creating new labour subjectivities among digital workers on a global basis. Thus, working-class resistance remains a pervasive force, even in the absence or unions.

Consumers are a crucial factor in the gig economy and have the ability to both acquiesce to labour exploitation or resist the deleterious practices of platform capitalism. In Chapter 17, Joshua Healy and Andreas Pekarek reveal the multiple roles that consumers play in the gig economy: as market participants, managerial agents, and quasi-regulators of working conditions. They argue that the precarious circumstances of gig workers create unique opportunities for consumers to directly influence working conditions. How platform companies establish relationships with consumers have a large bearing on the conditions of workers in the gig economy, which in turn determine state regulatory control over working conditions.

Part IV: Regional dynamics, Global North

In Part IV and Part V of this volume, we turn to regional and national dynamics in the gig economy. How are conditions in the gig economy structured by state and national actors in regulating the gig economy? To what degree do platform workers and popular support and opposition for the gig economy facilitate expansion or curtail growth?

Europe and North America

In Chapter 18, Tom Montgomery and Simone Baglioni debate if platform work creates a new paradigm of worker autonomy or augmented labour exploitation. The platform has disrupted non-standard employment, which has reached an unprecedented level in the shift of responsibility from employers to employees, but the transformation of the global economy has created labour relations increasingly dominated by platforms, and the worker becomes the sole

bearer of risk and responsibility. The gig economy exemplifies the disruptive form of labour that is forced to take orders, salaries, and even working tools from companies which formally and legally do not employ them. Yet supporters of the platform assert that the gig economy empowers as owners who have regained autonomy and control by their work. The chapter asks, who are those who see it as simply a new modality to increase workers economic potential via self-employment or self-entrepreneurship, and which actors consider the gig economy be a new form of labour exploitation characterised by surveillance and algorithmic management? The chapter discusses these key questions in the context of the UK, which is at the forefront of platform transformation.

In Chapter 19, Robert Ovetz exposes how the rapid growth of gig work has raised new challenges for the labour movement. While self-organisation of platform workers has accelerated since the beginning of the pandemic, unions have been challenged to develop new organising tactics and strategies. Despite wildcat strikes organised by Amazon, DoorDash, Lyft, Shipt, and Uber workers, unions continue to bypass organising in favour of advocacy and lobbying as shortcuts to short-term reforms. The chapter contrasts the impact of gig workers' wildcat strikes in California to union advocacy and lobbying strategies to change law and policy. Ovetz asserts that the passage of Proposition 22 in California in 2020, which an estimated half of union workers voted for, demonstrates the shortcomings of continued efforts to legislate reforms that redirect efforts way from workers' power in the mobile workplace. But how relevant are self-organised workers' tactics and strategies to improve their conditions? The chapter asserts that the outcome of these struggles will be critical indicators of the success of algorithmic management strategies emanating from Silicon Valley being applied throughout the United States.

In Chapter 20, Ane Aranguiz notes the significant discrepancies in categorising gig economy workers. While some consider them workers, others view them as self-employed. Some argue instead that a third category should be created. Aranguiz views the classification of gig workers as significantly impacting wages, working conditions, access to social protection, and collective rights. The EU has acknowledged this growing challenge, and new initiatives are either directly or indirectly addressing the increasing job polarisation and the upturn of non-standard forms of employment. Aranguiz provides an assessment of gig economy workers within EU law, focusing on the range of labourers and the growth of precarious wages and working conditions and how this is being dealt with at the EU level. In particular, the chapter looks into access to social protection, minimum wages, the plans of the Commission to launch a legislative initiative to improve the working conditions of platform workers and the consultation on amending competition to allow some self-employed to negotiate collective agreements. The chapter analyses to what extent the current framework of the EU and the recent initiatives can effectively ensure that gig economy workers are sufficiently protected and that the welfare and labour structures are fit for purpose.

In Chapter 21, Jan Drahokoupil, Marta Kahancová, and Tibor T. Meszmann contend that while the rise of the gig economy in Europe receives increasing attention, there is little evidence on the incidence, scope, and type of gig work in Central and Eastern European (CEE) countries. The chapter seeks to illuminate the status of gig work, or work via digital platforms, in CEE, attempting to understanding how platform work in the region can be considered precarious and which attributes of precarity are most outstanding for platform workers. In addition, the chapter evaluates the extent to which platform work coexists or further undermines the already-weak institutions regulating the employment relationship, including trade unions. Through highlighting the cases of Czechia, Hungary, and Slovakia, the chapter shows that platform work is associated with individual entrepreneurial activities, often guided by short-term motivations in response to perceived sector-specific opportunities rather than long-term employment motivations.

In Chapter 22, Sophie Rosenbohm and Fabian Hoose explain that platform work has been a much-debated topic in Germany in recent years. A distinction is made between platform-mediated but locally performed services and platform-mediated and online-performed activities. Against this backdrop, the chapter examines the extent of platform work and discusses the diverse landscape of platform work in Germany. What seems like a crucial factor in the implementation and realisation of gig work is the degree of labour's traditional institutional power.

In Chapter 23, Vyacheslav Bobkov and Olesya Veredyuk examine how the gig economy competes with the traditional economy in Russia. The transition of workers to the gig economy is mainly determined by the quality of employment of those engaged in the industry. In Russia, the majority of the employed have formalised wage employment as their standard, and the gig economy has not had a significant presence in the labour market. The authors reveal the risks of precarious employment and material well-being. They conclude that alternative models of employment, including gig economy, have the potential to develop in Russia, and the search for optimal regulation has implications for the maintenance of standard and non-standard employment models.

We next turn to Australia in Chapter 24, where Tom Barratt, Caleb Goods, and Alex Veen demonstrate how the country's digitally enabled gig economy has grown extensively in the past decade, with transformative implications for business, society, and especially labour. They reveal that the two dominant modes of gig work are app-based platform-services, where a single application manages multiple similar tasks, and online marketplaces, where platforms connect buyers and sellers of services across a variety of tasks. A delineation further they distinguish is between work performed geographic territory – food or passenger delivery – and work performed virtually through crowdwork. This new form of work intermediation has challenged or circumvented existing labour regulations to remake labour relations in favour of capital.

Part V: Regional dynamics, Global South

Asia, Africa, and Latin America

The next three chapters examine South Asia, particularly India, among the fastest-growing platform economy in the world. Despite the significance of gig work to the economy, the informal sector has always dominated labour markets.

In Chapter 25, Sara Duvisac examines how gig work highlights new forms of labour relations while also embodying long standing and dominant forms of labour relations in South Asia through a case study of the Indian labour market. The Indian labour market, like much of South Asia, is marked by informality and non-standard employment relations: the Indian government documents over 80% of employment in India as informal, with a large share in agriculture. Formal employment in India – as elsewhere – is increasingly marked by temporary and contingent employment relations. Thus, Duvisac presciently argues that gig workers, as defined in Western labour markets, do not necessarily indicate a new form of labour relation, although they may take on new iterations, particularly for workers employed through online platforms. The chapter also explores the political implications of separating gig workers who primarily work through online platforms or the information technology (IT) sector, from the vast majority of contingent workers in the Indian, as well as South Asian, economy.

The chapter argues that conceptually separating out the small number of gig workers (an estimated 3 million of 500 million workers in India) from the majority of contingent workers deepens intra-class divides along gender, caste, and social status within India's working class. Next, in Chapter 26, Dev Nathan, Govind Kelkar, and Balwant Mehta focus on two key areas:

competition between Indian and global corporate platforms and the growth of techno-nationalism, as the Indian state is actively participating in setting rules favourable to Indian platforms. Secondly, the chapter examines and assesses the rise of gig work in the accelerated digitisation of the Indian economy.

In Chapter 27, political economist Zhun Xu examines the Chinese gig economy through reviewing the development of the gig economy in the last three decades. China's gig economy started with market reforms in the 1980s, when the government promoted 'individual employment', or getihu, in the urban economy and small family plots and businesses in the countryside. The basis of the gig economy that we speak of today was largely formed in the early 2000s. The laid-off urban workers and the influx of rural migrant workers constituted a large reserve army to recruit gig workers, which contributed to the rise of the platform economy later when capital accumulation slowed down in the 2010s. Recently, the Chinese government has sought to regulate the gig economy, but these moderate reforms are not yet able to address the fundamental problems of the gig economy and its relationship to workers, capital, and the state.

In Chapter 28, Saori Shibata demonstrate the enormous growth of Japan's gig economy in the last decade. Government and business elites have actively sought to promote gig work, to highlight its special opportunities for advancing the autonomy of workers. However, a number of detrimental consequences are arising from the further flexibilisation of labour markets that the increase in gig work represents in diminishing labour's power vis-à-vis capital. This chapter explores how the integration of new digital technologies has become a key measure through which efforts are being made to increase productivity and further growth in Japan's ailing economy. Yet this has acted to deprive gig workers of skills and lock them into low-paid and precarious jobs, as well as increasing workplace surveillance and control.

In Chapter 29, Ji-Hyeon Kim reveals the recent debates on the gig economy and digital labour in South Korea, with a special focus on ongoing platformisation in the IT and creative industries. The gig economy in South Korea has been growing fast in recent years, based on the country's advanced internet infrastructure and mobile transactions market. While this has established many new forms of gig work, it has also expanded the informal job market and exposed the weak institutional accountability over independent freelancing contractors and self-employed workers and job insecurity. While not a phenomenon exclusive to South Korea, it is worth noting that platformisation and gig economy in Korea are often targeted at two IT giants: Naver and Kakao. Being a Korean equivalent to GAFAM, they have been involved in virtually every aspect of the Korean digital economy since their advent around the turn of the century, from operating domestic search engines (Naver, Daum) and developing digital cultural products (webtoon, blog and vlog services) to running the country's most used digital messengers (Line and KakaoTalk). More recently, they have also invested greatly in taxi and courier apps and food delivery, utilising their wealth of network and resources, sometimes acquiring small and medium-sized start-ups. As a result, many gig workers operate around these two IT giants. This chapter analyses how the platform capitalism has structured the emerging gig economy in South Korea.

In Chapter 30, Cheryll Ruth Soriano examines the local articulation of 'planetary labour markets' in the Global South. This chapter examines emerging class relations and formations among crowdworkers and their underlying institutional structures. As an empirical anchor, the chapter focuses on the Philippines, which has actively embraced platform labour with millions of Filipino workers obtaining gigs from crowdwork platforms, such as Upwork, FreeUp, Fiverr, and Onlinejobs.ph. The chapter explores emerging class relations among Filipino crowdworkers given the mutually intersecting layers of technological, national, social, and interracial dimensions that shape worker subjectivity, making crowdwork akin to overseas migrant labour but

with a distinct spatio-technical arrangement. Crowdwork, like labour migration where the state plays an instrumental role in promotion, reinforces the view of class structures still as national formations, although enacted in dialectical tension with workers' 'entrepreneurial' spirit.

In Chapter 31, Titik Puji Rahayu examines how national digital intermediaries in Indonesia are developing dramatically, in parallel with the growing number of its digital labour. The rise of national digital intermediaries that harness the work of digital labour tend to be perceived positively by the state as a solution for underemployment and unemployment in the country. Despites the fact that national digital intermediaries have absorbed large number of digital labour, it is crucial to scrutinise the welfare of these precarious labour force. Digital labourers in Indonesia tend not to recognise the significance of labour unions and workers' movements. This study takes the view of the importance of unionisation for labour advocacy and aims to examine factors that have inhibited the unionisation of digital labour in Indonesia.

In Chapter 32, Mondli Hlatshwayo examines the rise of the gig economy in South Africa. No reliable statistics are available in South Africa to determine the number of workers in the gig economy or platform work in South Africa. However, there is no doubt that a growing substantial number of workers are part of the multinational and local digital platforms. Two years ago, Fairwork, a network of researchers and legal experts seeking to promote the principles of fair work, estimated that there were about 30,000 workers in ground-based platform work – namely, taxi driving, delivery, and cleaning. In addition, the group stated that close to 100,000 workers were involved in online gigs, or cloudwork. All these figures are suggesting that about 1% of the workforce in South Africa is involved in gig work, and this number is growing by about 10% yearly. However, this growing sector of the South African economy has been affected by the COVID-19 pandemic and the ensuing nationwide lockdowns that took place in 2020 and 2021.

In Chapter 33, Erick Manga demonstrates how technological advances have enabled many employees to remain competitive by accessing multiple opportunities with limited transactions costs. A case in point is the gig economy sector where it is a key driver. The study interrogates how the informal public transport sector in Kenya manifests within the gig economy. Studies show that Kenya is one of the countries in sub-Saharan African, which has made significant steps in technological advances and the attendant benefits. Consequently, its gig economy is quite vibrant and thus presents several opportunities to both active and potential players. Specific issues to be examined will include the adoption and uptake of platforms within the informal public transport sector in Kenya, models of operations, benefits, challenges, and copying mechanisms. The study will also briefly establish how COVID-19 pandemic has affected informal public transport workers in the gig economy, their copying mechanisms, and future prospects of work in the sector.

In Chapter 34, Laura Perelman examines the legal status and labour conditions of platform workers is a contentious field, crossed by growing protests and conflicts in several countries in Latin America. Perelman, as do other analysts, notes that workers' collective action has led to organising efforts in recent years and, in some cases, the formation of new labour unions. This process developed against a challenging background, marked by notorious market power asymmetries, lack of legal protection, and governments' reluctance to regulate. Also, in most countries, traditional unions' responses to gig workers' organising efforts have been quite ambiguous. This work addresses the rise and establishment of the Argentinian Association of Platform Workers (APP), the first union of delivery platform workers in Latin America. This case study will be informed by the power resources theory (PRT), which centres on the dynamics of power accumulation by workers' organisations in the context of specific market, institutional, associational, and social conditions. Moreover, this chapter seeks to advance a conceptual

framework for a comparative analyses of unionisation across countries to identify the structure of opportunities and challenges for gig workers' organisation.

Conclusion

The emergence of neoliberal capitalism and the informalisation of labour as theoretical and empirical fields of inquiry have highlighted the need for a handbook which clearly delineates the political economic dimensions of the dynamic and explains the stark inequality that has emerged and grown within and between the world's countries. This inequality has produced profound economic and ecological imbalances which threaten the future of humanity as such. Over the last decade, a range of highly significant works has been published in the field of global capitalism, inequality, and poverty and has gained a wide readership.

The Routledge Handbook of the Gig Economy will have significant appeal to scholars of international political economy. This definitive collection of chapters will represent the primary reference work that contributes to our understanding of the political economy of neoliberalism and the gig economy. Scholars and students of sociology and economics are eager for new research examining this phenomenon, and this proposed *Handbook* is of essential importance to the field. We have no doubt that the work will be well received in every region of the world, including Europe, North America, and the developing and least developed countries.

The *Handbook* is written and presented in a clear manner, accessible to undergraduate and graduate students as well as scholars and specialists in the field of labour relations. The contents are clearly organised under a variety of headings, which will guide the reader to specific chapters and widen the scope of the book. This work will stand out, as it specifically addresses a major area of discussion and debate worldwide – namely, the new political economy of labour and technological change. This makes the *Handbook* both highly distinctive and compelling.

The volume is intended for use in introductory undergraduate and graduate student university courses, in libraries, and by specialists in political economy, international relations, and development studies. With its contemporary approach and global reach, the volume will provide the broad information and data necessary to students as well as researchers. Precisely because the *Handbook* focuses on the highly current topic of the platform economy, we expect the work to gain a global appeal among academics and students working in the fields of international political economy, international relations, and development studies. We are confident that the work will also have wide readership as a textbook for a wide variety of undergraduate and graduate courses in the social sciences. the *Handbook* is *de rigueur* for readers who are actively interested in the restructuring of labour and work and the consequences of the challenges that the transformation of the political economy poses on mitigating poverty and inequality around the world. The contributors specifically explore how platform capitalism is changing labour and the quality of life of hundreds of millions of workers across the world.

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PART I

Conceptual perspectives and approaches

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2

JOB INSTABILITY, PRECARITY, INFORMALITY, AND INEQUALITY

Labour in the gig economy

Uma Rani and Nora Gobel

1. Introduction

Platforms are becoming part of contemporary life as they are changing consumer preferences. Consumers have embraced this transformation as they are able to access goods and services in ways that are cheaper and convenient through mobile applications or online websites. Similarly, businesses and clients are able to outsource work through digital labour platforms across borders to a globally dispersed workforce that is available every day and round the clock and can complete the tasks in a short time and at a relatively low cost. The demand for such services from consumers and businesses has led to the rise of digital labour platforms over the past decade. These digital labour platforms can be distinguished into two types: online labour platforms, such as freelance and microtask platforms, and location-based platforms, such as those providing taxi, delivery, care, and domestic services (ILO 2021).

In addition to the demand for such services, the rise of such platforms is driven by the development of digital infrastructure, availability of high-speed internet connectivity, and development of cloud infrastructure and computing services, which has reduced costs and entry barriers (Cusumano et al. 2019). Though there exists a digital divide between the Global North and Global South (UNCTAD 2019), developing countries are increasingly investing in digital infrastructure to be able to access wider markets or to create employment opportunities through these platforms (Graham et al. 2017).

There exists a notion that platforms are creating new income-generating opportunities. There might be few tasks, such as image and data annotation, labelling, and data processing, which are new on microtask platforms, while a whole range of tasks, such as design, software programming, web development, translation, taxi, delivery or domestic services, were previously performed and continue to be performed in the traditional labour market (ILO 2021). Perhaps, what is new in the digital economy is that technology is used to enable tasks or projects to be outsourced through online web-based platforms or to mediate work through digital applications, such as taxi, delivery, or domestic service platforms.

Outsourcing work through digital labour platforms is the latest manifestation of fissuring the workplace and blurring organisational boundaries (Rani and Furrer 2021; Grimshaw et al.

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2017; Weil 2014). It is also reorganising work activities and creating unprecedented possibilities for outsourcing work, in addition to adopting non-standard work arrangements, such as short-term, temporary or hourly, or zero-hour contracts, among others (Wood et al. 2019; Hyman 2018; ILO 2016). Gig or casual work has always existed in developing countries and has been on a rise in a number of advanced economies since the 2008 global financial crisis. While these forms of work are not new, the use of technology to manage and mediate workforce and offer a range of services is a new phenomenon (ILO 2021).

Platforms are thus enabling the reorganisation of activities that conventionally relied on traditional employment relationship into outsourced work, which is performed by self-employed and independent contractors (ILO 2021). They have also introduced algorithmic management practices to allocate, manage, and evaluate workers, which has implications on the working conditions of the workers (Moore and Joyce 2020; Griesbach et al. 2019; Lee et al. 2015). In addition, the reorganisation of work on these platforms allows them to push the responsibility of investing in assets or equipment and the operational costs to the workers along with the risks associated with it (Stanford 2017).

These new ways of using digital technologies are precariatising workers and has the potential to widen inequality, as workers are classified as 'self-employed' or 'independent contractors' and they do not enjoy any of the benefits that are provided to workers in a standard or formal work arrangement. In addition, a significant proportion of the workers performing tasks on these platforms are well educated. The rise of such platforms might push highly educated and skilled workers, especially in developing countries into the informal economy to pursue work under precarious conditions with informal work arrangements (World Bank 2020). Technology, instead of serving, uplifting, and improving the working conditions, is being used to exploit workers and create more insecurities and vulnerabilities for them.

This chapter systematically examines how the platform's terms of service agreements, algorithmic management practices, and design features affect workers in the gig economy across a range of skills, from high-skilled design or web development to low-skilled microtasks and taxi driving. It analyses the implications of the platform business model on their working conditions, such as incomes, social protection benefits, and access to work. The chapter argues that the terms of service agreements, algorithmic management practices, and design features used by the digital labour platforms precariatise the workers and has the potential to widen inequality. It shows that the workers often do not enjoy the freedom and flexibility to perform their work as is proclaimed as they are managed by the algorithmic boss, which disciplines them and reduces their autonomy and control over work. The chapter draws on data systematically collected by the International Labour Office (ILO) through surveys conducted across a range of sectors (microtask, freelance, and taxi) and across multiple countries.

2. Data and descriptive statistics

The data used for analysis in this chapter are from the ILO surveys of workers on five microtask (Amazon Mechanical Turk [AMT], CrowdFlower [now Appen], ClickWorker, Microworkers, and Prolific) and two freelance platforms (Upwork and Freelancer) that were conducted between 2017 and 2020 and the country surveys of taxi drivers that were conducted in 2019 and 2020. All the microtask and freelance platforms operated globally. The sample of taxi drivers comprised 3,941 workers covering nine countries in both the app-based and traditional segment: Chile, Ghana, India, Indonesia, Kenya, Lebanon, Mexico, Morocco, and Ukraine (see Table 2.1). The sample of global survey of microtask and freelance platforms comprised 2,799 platform workers. The sampling design is not representative as there is lack of official statistics

Table 2.1 Distribution of Surveyed Workers by Sector, 2017 to 2020

	Online web-based platforms		*Taxi sector*	
	Freelance and contest-based	*Microtask*	*App-based*	*Traditional*
Main platforms/ countries covered	Freelancer, Upwork	AMT, ClickWorker, CrowdFlower (now Appen), Microworkers, Prolific	Chile, Ghana, India, Indonesia, Kenya, Lebanon, Mexico, Morocco, Ukraine	
Number of respondents	449	2,350	2,077	1,864

Source: ILO global survey of workers (2017, 2019, and 2020) and ILO country surveys of taxi drivers (2019 and 2020).

about the population engaged in this type of work. Therefore, the analysis presented in this chapter reflects the findings from the ILO surveys and does not necessarily represent the global or country-level population (ILO 2021).

The purpose of conducting the survey was to gain a better understanding about who participates on the platforms, their socio-demographic characteristics, their motivation to perform tasks on the platform, their working conditions (such as hours worked, income, benefits received, and social security), and how platform work affected their personal and professional lives. The structure of the questionnaire to the respondents was similar across the different sectors, with some adaptations depending upon the type of tasks performed on the platform. All the global surveys were in English language and the country surveys were in the local language of the place where it was administered, and they contained detailed quantitative and open-ended qualitative questions. Depending upon the sector, different methods were adopted to conduct the survey, and the methodological details are available in ILO (2021).

The majority of workers who participate on these platforms are below the age of 35 years, and there are some differences depending on the sector. For instance, workers on microtask and freelance platforms are younger (33 years) than taxi drivers in the app-based (36 years) or traditional segment (44 years). Online microtask and freelance platforms provide opportunities to women, as four out of ten workers are women, while the taxi sector is largely male-dominated and women comprise less than 5% of the taxi drivers. The workers on online platforms are well educated, and more than 83% on freelance and 64% on microtask platforms are highly educated with a university degree, and these proportions are higher for workers from developing countries. While taxi sector is considered to be a low-skilled sector, about 24% of the drivers on taxi platforms are highly educated, which is not so for those in the traditional segment.

Platform work is the main source of income for majority of the workers (84%) on taxi platforms. This is not surprising as most of these taxi drivers were driving taxis in a traditional market prior to joining the platforms. This is largely because in many developing countries, those with only primary or secondary education often acquire mechanical or driving skills as there is always a demand for such work. Driving skill is often considered as an important asset as many engage themselves as private drivers for households, companies, or car rentals or as self-employed taxi drivers due to a lack of employment opportunities. Consequently, the lack of employment opportunities as a motivation to undertake taxi driving reported by a substantial proportion of both the traditional (60%) and app-based taxi drivers (40%) in the ILO survey is

not so surprising. Moreover, platform companies have lured taxi drivers to join the platforms by providing them with various incentives such as bonuses or loans. The other motivations for app-based taxi drivers included job flexibility (25%) and better pay than other available jobs (20%), as platforms often provided incentives and also advertised that they provide flexibility to workers.

The dependence on online freelance and microtask platforms as a primary source of income varied between workers on freelance (59%) and microtask (32%) platforms. The dependence was much higher especially for women (39%) and those from developing countries (46%) on online platforms. The main motivating factor for performing tasks on online microtask and freelance platforms was to complement their pay (36%), followed by their preference or the need to work from home or job flexibility (34%). The fact that a large proportion of workers are looking at platforms for additional incomes highlights their precarious employment situation, and this is so in both developing (27%) and developed countries (43%). About half of the workers on these platforms reported to have other paid jobs, where they were engaged as either salaried employees (34%), or employees on an hourly or daily wage (31%), or freelancers (25%).

In developing countries, a higher proportion of workers are also motivated to work on these platforms due to their preference or the need to work from home and job flexibility (38%). This proportion was higher among women (40%) than men (31%) in both developing and developed countries. These figures also reveal the prevalence of stereotypical gender roles and expectations from women regarding care and household responsibilities. About 21% of the women reported having children below the age of six years, and the high costs of child care or limited access to care facilities often prevents women from taking up regular jobs in the traditional labour market. In such a context, platform work enables women to have access to paid work while simultaneously shouldering the burden of care responsibilities. In addition, on microtask platforms, some workers reported that they can only work from home because of their health problems, such as anxiety or physical disabilities (Berg et al. 2018).

3. Job instability, precarity, and informality: empirical evidence

This section discusses how the platform's terms of service agreements, algorithmic management practices, and design features have implications on the working conditions of the workers and can lead to instability of jobs and widen inequality. It discusses how the nature and content of tasks on microtask platforms can precariatise highly qualified workers as they are unable to develop their career profile.

3.1 Platform's terms of service agreements, low pay, and perpetuation of precarity

The working conditions on platforms are regulated by the terms of service agreements, which are unilaterally determined by the platforms, and they define workplace protections and entitlements. Platforms tend to classify workers as 'independent contractor', 'self-employed', or 'driver partners' or use similar classifications that deny an employment relationship, and workers do not have a chance to negotiate this, but rather they have to accept this classification in the terms of service agreements in order to join the platforms. This classification of workers allows platforms to devolve themselves of their responsibility of providing social protection and work-related benefits. It also poses new challenges to workers' freedoms at work, as they do not have any rights to unionise or collectively bargain for their rights.

The terms of service agreements also have implications on the earnings of the platform workers, as they are obligated to pay commission fees on their earnings to the platform. Workers

in the ILO survey reported that they had to pay commission fees from their earnings, which they normally would not pay as self-employed workers. In addition, on many of the platforms, such as microtask work and taxi driving, and even on freelance platforms where the tasks have a fixed price, there are clauses that enable platforms to set the prices charged for services. These clauses take away the freedom and autonomy from the worker on price setting, despite being classified as an independent contractor.

Furthermore, the terms of service agreements may also influence behavioural aspects of a worker, as they can dictate aspects around etiquettes when engaging with clients of customers, communications, among others. These tend to be invasive behavioural guidelines or requirements, which closely resemble behavioural requirements imposed upon employees of a company. As a result, there is a self-disciplining process that is taking place, wherein taxi drivers provide good customer service and are friendly, polite, cheerful, and disciplined, so as to ensure good reviews and ratings from the clients which enables them to access work.

In addition, platforms also shift the responsibility of investing in capital assets, such as computers for freelance and microtask workers or vehicles or other tools for taxi drivers or delivery workers, including the operational costs of maintenance, rental costs, internet, electricity, and so on. This makes platforms asset-light and agile, allowing them to shift risks to workers and save labour and capital cost.

Finally, platforms have created a dual labour market with a small core workforce directly employed by the platform and a large outsourced workforce whose work is mediated through the platform and are classified as 'independent contractors' or 'self-employed'. This is often justified by the platform company as a 'new way of working', and workers have the freedom and autonomy to organise their work schedules and decide on the tasks, projects, or rides they would like to perform.

However, in practice, platforms have tremendous control over the organisation of work and compensation to the workers. For instance, in developing countries, most traditional taxi drivers are classified as self-employed, and they have the freedom and autonomy to decide their work schedules and destinations they would like to go, they have the ability to refuse rides, and the fare for the ride is decided by the municipal or state authorities. On taxi platforms, drivers are not informed in advance about the destination of the passenger, and they often face a penalty for declining a ride and the ride fare is determined by the algorithm. About 37% of the taxi drivers reported that they faced repercussions when they declined a ride, which included lowering of ratings, temporary and permanent deactivation, and allocation of fewer rides. When workers were asked about whether they agreed with being classified as self-employed, some of them disagreed. In textual answers they reported that 'if they were self-employed, then they should not be deactivated' and the 'platform should not sanction drivers if they reject or do not accept the ride'. The insecurity that the workers experience is a form of precarity at work as they do not have any control over their work or working conditions.

Similarly, online freelance and microtask platforms outsource work either through the marketplace or on an on-demand basis to independent contractors or self-employed workers on a task- or piece-rate basis, which is conventionally performed by workers with traditional employment relationships. The innovative algorithmic management practices, which are used to allocate tasks and manage, supervise, and reward workers, give platforms tremendous control over the workers. For instance, on microtask platforms, work is supervised by an algorithm and can be rejected without providing any explanation and workers are not paid for the work done. Similarly, on freelance platforms workers are monitored on a regular basis using different software tools.

The control that the platform exercises over the worker in all of these situations is that of a subordinate employee one of an employer-employee relationship, and not that of a self-employed or independent contractor. The outcome of using technology represents a return to the past where workers were engaged on a piece-rate basis or as casual labour. The nature of work that is being generated through the digital labour platforms adds to the growing informal and non-standard workers in developing and developed countries, exacerbating the existing challenges. The classification of workers as self-employed has implications on their earnings and benefits, which is discussed the next sections based on surveys with workers on online freelance and microtask platforms and taxi platforms.

Low earnings

The earnings of the workers on digital labour platforms vary depending upon the type of tasks. On freelance platforms, workers perform different activities, such as design, translation, legal and accounting services, computer programming, and data analytics, which require occupation-specific skills. On microtask platforms workers perform a wide range of short-term, repetitive, and low-end tasks that are either related to training artificial intelligence and machine learning processes (such as categorisation, content moderation, transcription, data collection, and verification) or promoting products and services (such as content access, content creation, and market surveys).

Workers on online freelance and microtask platforms spend a considerable amount of time (one-fourth of their time or six hours per week) performing unpaid tasks, such as searching for tasks, completing tasks to earn qualifications, submitting projects or proposals, and updating their profiles, among others, so as to be able to access work. A worker on average earns $3.9 per hour, including both paid and unpaid work, and about 50% of the workers earn less than $2.5, and it varies across the different sectors and countries. Workers on freelance platforms earn on average $11.2 per hour for paid work, and this declines to $7.2 when we include unpaid time. Workers on microtask platforms earn less than half of the earnings on freelance platforms, irrespective of whether we consider average or median earnings.

The low earnings on microtask platforms are largely because work is fragmented into smaller pieces of tasks, such as translation, transcription, data collection, and image annotation, and are outsourced through these platforms on a piece-rate basis often for a few cents or dollars. On freelance platforms, the tasks include designing, web development, and preparing a funding proposal, which require some level of skill expertise. Not only are the earnings of the workers low, but there is no correlation between education and incomes, even after workers have spent a considerable amount of time on these platforms (ILO 2021; Rani and Furrer 2019).

The notion that high levels of education would lead to better incomes does not seem to hold among the workers surveyed on both freelance and microtask platforms. While there is massive investment into education either through the scarce resources of the households or through public investment, workers are unable to find employment opportunities that are commensurate with their skills. Many of these workers end up finding work on platforms while waiting to find a better job and, in the process, get exploited by the platforms. A substantial proportion of workers (57%), especially in developing countries have education in STEM (science, technology, engineering, and medicine) fields and perform low-end, mind-numbing, repetitive jobs on microtask platforms. Similarly, on freelance platforms, about one-third of the workers reported that they had more skills than were demanded, and only about 60% of the workers trained in IT (information technology) completed tasks related to their discipline, while the remaining performed a whole range of other tasks related to business, sales, or administration (ILO 2021).

Table 2.2 Hourly Earnings by Sector, Development, and Gender (in USD)

		Paid			*Total (paid and unpaid)*		
		Mean	*Median*	*Number of observations*	*Mean*	*Median*	*Number of observations*
Freelance	Total	11.2	7.2	296	7.6	5.3	297
	Developed countries	17.8	14.5	91	12.6	9.3	91
	Developing countries	8.3	5.1	205	5.5	3.8	206
	Male	11.8	7.2	171	7.4	4.8	170
	Female	10.5	7.4	124	8.0	5.8	126
Microtask	Total	4.4	3.0	2,027	3.3	2.2	2,022
	Developed countries	5.3	4.3	1,322	4.0	3.0	1,314
	Developing countries	2.8	1.6	704	2.1	1.2	708
	Male	4.3	2.9	1,277	3.3	2.1	1,277
	Female	4.7	3.3	750	3.3	2.2	745
Total		5.3	3.3	2,323	3.9	2.5	2,319

Source: ILO global survey of workers (2017, 2019, and 2020).

This trend is also partly because governments in many developing countries are training people and promoting these online labour platforms as a source of income generation (Galpaya and Senanayake 2018; Graham et al. 2017).

While governments in developing countries are promoting activities on platforms, there also exist differences in earnings between workers in developed and developing countries. Workers on both freelance and microtask platforms that reside in developing countries earn less than those in developed countries (see Table 2.2). On freelance platforms, when controlling for basic characteristics and type of task performed, this difference in hourly earnings is as high as 60%. This pay gap suggests that there is a possibility that workers who reside in developing countries are unable to benefit from equal access to work opportunities due to the platform design and clients' perceptions (ILO 2021), an issue that is discussed later in this chapter. There are also gender pay gaps in hourly earnings on both freelance and microtask platforms when we look at averages in both developed and developing countries, but these differences are not significant when controlled for a number of factors.

The low earnings on freelance and microtask platforms could be due to a number of reasons. As platforms operate globally, there is competition among global labour force as workers compete with one another and underbid for tasks and projects especially on freelance platforms, which was reported by 67% of the workers. In addition, about 13% of the workers also reported performing tasks for free (i.e. without charging the clients a fee) so that they could build up their rating and reputation on the platform in order to be able to access work on a regular basis. Further, the business model of the platforms is based on generating revenues through commission fees or subscription plans, which can reach up to 35% of their earnings on some platforms, which reduces their earnings. The commission fees charged to the workers comprises a substantial part of the revenues of the platform (62% in the case of Upwork) (Upwork 2019).

In addition to the commission fees, workers reported paying fees to submit proposals or their bids (67%) or for withdrawing money from the platform (60%). Finally, workers are not paid if

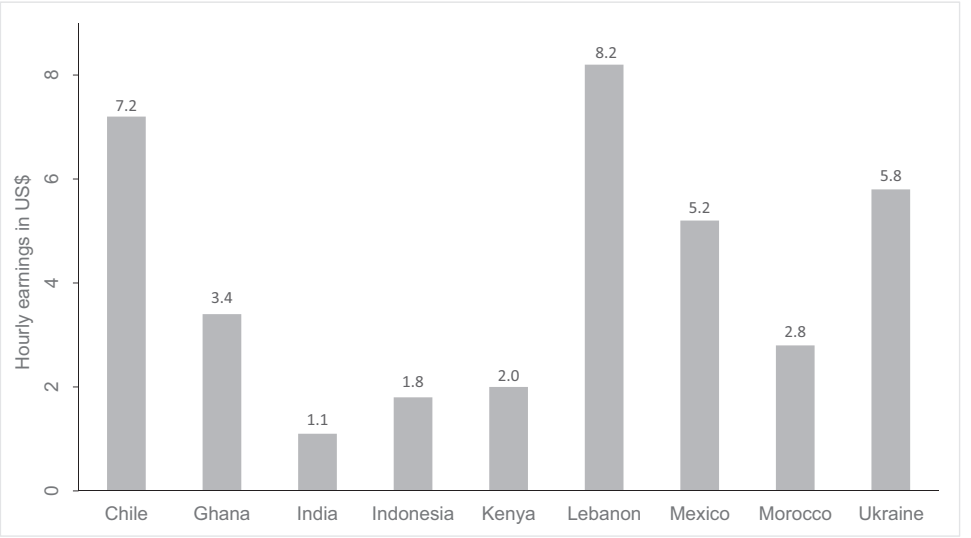

Figure 2.1 Hourly earnings, taxi sector (in USD).

Source: ILO country surveys of taxi drivers (2019 and 2020).

their work is rejected, which is quite common among workers in microtask platforms. About 90% of the surveyed workers reported such rejections, which results in non-payment for tasks that have been completed by workers. All these different types of costs are pushed on to the workers, who bear the burden as they often have no choice and are in the hope of getting access to some work on these platforms. Instead of using technology to provide decent working conditions, platforms are using it to precariatise workers as cheap labour is available in abundance.

The hourly earnings on taxi platforms including waiting time ranges between $1.1 (India) and $8.2 (Lebanon). A majority of workers earn less than the average in all the countries, and a substantial part of the earnings comes from bonuses and other incentives and constitutes an important part of their income. The bonus and incentive structures vary across platforms and also depend on the countries where they operate. Grab and Gojek, which operate in Indonesia, offer bonuses to almost 99% of the taxi drivers, while in Morocco, where workers are engaged on Careem platform, only 15% were offered such bonuses. Bonuses have created a strong incentive structure on the platforms and through gamification, they are able to motivate workers to work excessively long hours, which is not only injurious to their health but also has implications on their work-life balance. This gamification process has led to workers spending on average about 65 hours per week working on these platforms, and it could go up to as high as 82 hours per week in some countries such as India, which can have serious consequences on their occupational safety and health as they prone to accidents.

Lack of social protection benefits

In addition to low pay and long working hours, a majority of the workers lack any form of social protection on online freelance and microtask and taxi platforms. There are large gaps in health insurance, work-related injury provisions, unemployment insurance, old age pensions,

Table 2.3 Proportion of Workers Receiving Social Protection Benefits (in Percentages)

	Health insurance	*Employment injury*	*Unemployment insurance*	*Disability insurance*	*Pension*
Freelance	16	1	2	2	6
Microtask	61	21	16	13	35
Taxi platforms	51	27	5	4	18

Source: ILO global survey of workers (2017, 2019, and 2020) and ILO country surveys of taxi drivers (2019 and 2020).

Table 2.4 Workers Employed and Mediated by the Platform Companies

Platforms	*Workers directly employed by the platform*	*Workers mediated by the platform*
99designs	139	1,200,000
Appen	800	1,000,000
HackerRank	200	11,000,000
PeoplePerHour	50	2,400,000
Meituan	54,580	3,987,000
Rappi	1,500	25,000
Uber	26,900	5,000,000

Source: ILO, 2021.

and retirement benefits (see Table 2.3). Those who are able to access any social protection, it is largely due to their spouses or other family members or because of their other jobs. The lack of social protection especially exposes many of these workers to social, economic, and health vulnerabilities, as has been observed during COVID-19 pandemic. The rapid assessment survey conducted in four countries (Chile, India, Kenya, and Mexico) by the ILO showed that 7 out of 10 taxi drivers were not able to take paid sick leave or receive compensation in the event they were to test positive for the virus, which makes them really vulnerable.

INEQUALITY BETWEEN PLATFORM WORKERS AND THOSE IN TRADITIONAL WORKPLACES

Platform companies are further able to exploit the workers who are already vulnerable in the labour markets and widen the existing inequalities. This is done systematically in a number of ways. First, as mentioned earlier platform companies have created a dual labour market, wherein they mediate work of a large outsourced workforce; and they also rely on a smaller workforce that they directly employ (see Table 2.4). This duality that the platforms create leads to a precarious working situation for the outsourced or mediated workforce as their pay is low, they are offered fewer protections, and they often lack social protection benefits and paid or sick leave, as observed earlier.

One of the major online microtask platforms, AMT, very clearly specifies in its Participation Agreement, 'Workers perform Tasks for Requesters in their personal capacity as an independent contractor and not as an employee of a Requester or Amazon Mechanical Turk. As a Worker, you agree that: . . . (iv) you will not be entitled to any of the benefits that a Requester or Amazon Mechanical Turk or affiliates may make available to its employees, such as vacation pay, sick leave, and insurance programs, including group health insurance or retirement benefits; and

(v) you are not eligible to recover worker's compensation benefits in the event of injury. As a Requester, you will not engage a Worker in any way that may jeopardize that Worker's status as an independent contractor performing Tasks for you'.[1]

Over a period of time, this leads to widening inequality as a very small core workforce enjoys all the benefits and stable income. In fact, in their risk assessments, platform companies see the demand for establishing an employment relationship for the mediated workforce as a fundamental threat to their business model. Uber, in its annual report, notes, 'Our business would be adversely affected if Drivers were classified as employees' (Uber 2019: 12). This mode of management also has implications for the future of work, as a few well-paid workers with good contracts are able to oversee and manage hundreds or thousands of workers globally whose earnings are low and lack any social protection (see Table 2.4).

In addition, many of these platforms also hire freelancers for the development and maintenance of their platforms. For instance, Upwork employs 570 employees, and in addition, it 'engaged over 1,200 freelancers to provide services . . . on a variety of internal projects' (Upwork 2019; 4) who are paid for specific tasks or projects and are not provided any other benefits. While such a strategy allows platforms to reduce their costs and become more efficient, it shifts the costs and risks to the workers, which has the potential to worsen inequality over a period of time. This practice of hiring workers as freelancers might be adopted by a number of other platforms, but this aspect is difficult to capture as only some platforms declare such information in their annual reports.

Second, as mentioned earlier, many of the tasks performed on the platforms are not new and continue to exist in the traditional labour market. A number of tasks, such as translation or transcription, which are performed in the traditional labour market are fragmented into smaller tasks and outsourced on platforms to workers who are paid on the basis of per task. The fragmentation of such tasks might lead to deskilling of work and has the potential to replace skilled labour with unskilled labour (Cheng et al. 2015) and can impact workers' incomes as observed earlier. Similarly, a number of low-skilled tasks related to data processing, such as tagging, classifying, cleaning, structuring, and organising, that are undertaken in traditional firms by workers are now increasingly outsourced on microtask platforms, such as AMT and ClickWorker, and are performed by workers who are highly educated with university degree, especially in developing countries, raising concerns about underutilisation of their skills and their career progression (Rani and Furrer 2019).

To understand if the earnings of the workers on the microtask platforms and traditional labour market performing similar activities are similar, we compared their hourly earnings in India and the United States. The analysis shows that workers in microtask platforms earn 64% less in India and 81% less in the United States compared to their counterparts in the traditional labour market, and the earnings gap is wider for women than men (see Figure 2.2). Such low earnings of workers on microtask platforms are not at all surprising as the working patterns are precarious with irregular and unstable work, and workers spend a lot of time searching for work and doing unpaid tasks. There are also no protection or benefits if a worker gets sick. This trend of outsourcing tasks through digital labour platforms has the potential to widen inequalities in the labour market.

Third, platforms also utilise workers on their platform to marginalise and precariatise workers in the traditional setup. This can be observed in the context of freelance and competitive programming platforms wherein employees in traditional workplaces are set against freelance workers or software developers on platforms and, hence, often fear about losing their jobs as their work can be potentially outsourced. This process can be observed systematically on taxi platforms. The success of taxi platforms, such as Uber, is based on their network effects or user base and taxi drivers. The platforms build their network of taxi drivers by attracting traditional

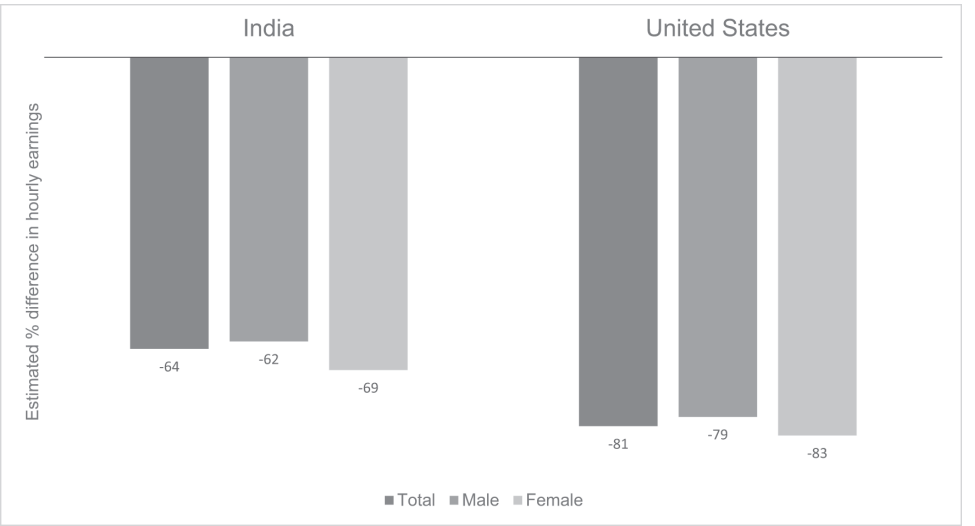

Figure 2.2 Hourly earnings of workers on microtask platforms compared to their counterparts in the traditional labour market, India and the United States (estimated percentage difference).

Source: ILO 2021, Figure 4.13.

taxi drivers, particularly in developing countries with bonuses for meeting targets and incentives, such as lumpsum payment for bringing in new drivers or working during peak demand. At the same time, they attract customers by reducing the taxi fares, which they are able to provide through their venture capital funding. This not only distorts the local labour market but also disrupts the traditional taxi sector.

This strategy adopted by platforms immensely impacts the earnings of those engaged in the traditional taxi segment, which is evident in Figure 2.3. The hourly earnings of those engaged in the traditional taxi sector is lower than that of drivers working on taxi platforms in all countries surveyed and the earning differentials are more than 70% in five of the countries (see Figure 2.3). The reason for these earning differentials is largely due to bonuses that the workers on taxi platforms receive, which was reported by more than 75%. These bonuses have the potential to distort the local labour market and can affect the demand for traditional taxi drivers. About half of the drivers in the traditional segment reported a decline in the number of trips made in a single day and also in their earnings since they started working, and the waiting time between rides had increased. The entry of taxi platforms, especially in developing countries, has precariatised the situation of traditional taxi drivers due to their aggressive pricing strategy and the bonuses and incentives they offer to taxi drivers. This leaves traditional taxi drivers in a vulnerable situation to either work long hours or join the platforms to earn their livelihoods. A male respondent reported that he used to work for a traditional taxi company, but there were not enough customers, and therefore, he decided to join a taxi platform.

3.2 Algorithmic management practices

Platforms use algorithmic management practices, which are new forms of control to manage and discipline workers to perform tasks (Pichault and McKeown 2019; Wood et al. 2019: Rosenblat and Stark 2016). Workers are evaluated for every task, project, or ride they perform

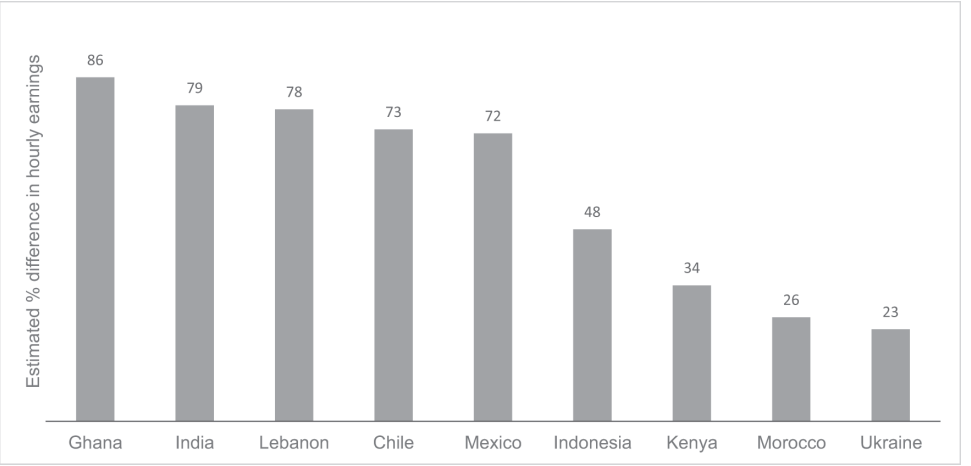

Figure 2.3 Hourly earnings of app-based workers compared to their traditional counterparts in the taxi sector, by country (estimated percentage difference).

Source: ILO 2021, Figure 4.15.

through ratings, which are quite opaque. The ratings are algorithmically determined based on a metrics, including client's or customer's feedback, and there is no transparency with regard to the indicators that are included to determine them. Ratings are critical to workers for accessing work and their functioning on the platform. The rating system is a form of control exercised by the platform to discipline its workers and ensure that work is performed effectively. Apart from ratings, platforms also use other mechanisms to discipline workers, which vary across platforms.

Freelance platforms

There is a paradigmatic shift in the way workers and clients are matched on platforms such as Freelancer or PeoplePerHour, where workers are assigned tasks through a fully automated matching process with no human intervention. The mechanism through which platforms match workers and clients is based on a number of platform-specific indicators, which include a combination of worker ratings, worker profiles (such as expertise level and skills), client reviews, availability, time zones, and hourly rates, among other factors (ILO 2021). Platforms such as Upwork or Toptal use a mix of human interaction along with algorithmic matching to assign tasks to the workers, for which ratings are critical.

In addition, workers are required to install some hardware and software programs on freelance platforms and are monitored to ensure that they are working effectively. These tools allow clients to track the progress of their projects and monitor worker performance. Close to half of the workers experienced being monitored on a regular basis using digital tools. About 46% of them indicated that they were required to take screenshots of their work on a regular basis and send it to their clients. In addition, about 43% reported that they are regularly requested to be available during a specific time by the clients. While the platforms classify these workers as 'independent contractors', their control or autonomy over their work schedule or time is strongly limited, and they have to follow the rules set by the platforms. Non-compliance to any of the platform rules has implications on their ratings and access to work. In addition, platform algorithms also closely monitor interactions between workers and clients, as communications

between them is not supposed to happen off platforms. In the event it is observed that a worker has shared their contact details, the worker can face a penalty or be deactivated from the platform.

Microtask platforms

On microtask platforms, not only are the tasks fragmented and outsourced, but the entire process of allocation, evaluation, and remuneration is automated and algorithmically managed. There is no communication between the platform or clients and the worker in most platforms. The control and supervision of the workers in these platforms is quite different, and they do not use any work-monitoring tools. To ensure that the worker is paying attention to the task, they add test questions, and if there are too many incorrect responses, then the worker loses that task and forgoes payment. Clients also determine the time limit for the task, which could be few minutes or seconds, and if the workers do not complete the tasks within that time, then they lose the task and the payment.

The submitted tasks are evaluated by algorithms, which are often designed in a way to approve tasks based on the majority of responses rather than the correct response. Therefore, rejection of completed tasks is common on these platforms. Most microtask workers in the ILO survey reported that they experienced rejection of work (86%) that were often unfair, without any feedback. Only a small proportion (15%) believed that all of the rejections were justifiable. These forms of control not only have an impact on workers' earnings but also affect their ratings, which has implications on their access to work. As ratings are decisive on these platforms, ratings below a particular threshold can lead to suspension and deactivation of accounts. On platforms such as microtasks, workers do not have any negotiating opportunity as the design features are unidirectional and do not allow any communication between the workers and the clients, either when the work is rejected or when they are deactivated from the platform.

Taxi platforms

Taxi platforms provide bonuses, incentives, and subsidies to build up their network of drivers and customers. At the same time, bonuses also help them to motivate, retain, and manage the taxi drivers. It is also a strategy to ensure that there are sufficient drivers available throughout the day, including during weekends and holidays. The purpose of providing bonuses and incentives varies across platforms and is also dependent on the cultural context of the country where they operate. They are also provided to build the platform's network effects wherein taxi drivers are given a lumpsum amount for registering new drivers on the platforms. The other reasons for providing bonuses and incentives include working asocial hours (nights or holidays), meeting hourly thresholds or a certain volume of rides in a week, and working during peak hours when there is a high demand. Workers are stimulated as it gives them an opportunity to earn more money, given their low earnings, and platforms exploit this situation.

While these bonuses or incentives constitute an important part of workers' earnings, it was not always easy to earn them, and in addition, the incentive model keeps changing. Many workers on taxi platforms reported that over time became more difficult with time to qualify for these bonuses (43%). This is because the bonuses and incentives are offered and available only to those taxi drivers who have very high ratings. This gamification process of the platforms through their incentive structures is a powerful mechanism to discipline workers.

Workers in the ILO survey reported that about 76% of them were offered such bonuses across different countries, but only 69% received them. One of the reasons for taxi drivers not

being able to meet their targets to qualify for bonuses could be due to oversupply of workers on the platforms and increased competition (van Doorn 2017). In addition, workers' experiences on platforms reveal that the algorithm can prevent them from meeting the targets when they get close to it. Workers in their qualitative responses reported that when they approached close to the target, 'the company starts giving longer rides or increasing the waiting time', or when a worker is about to reach a target, 'the platform does not give rides for four hours so that the worker does not get the bonus'.

The process of evaluating workers through ratings has become important on platforms for accessing rides and bonuses. Workers in the ILO surveys expressed that the evaluations by the customers were quite subjective and influenced by factors that were beyond their control, such as traffic congestion or simply the mood of the customer. Rating might not be an accurate reflection of how well the work is performed, as a driver might perform their duty of riding in a safe and careful manner according to the rules, but if the customers have had a bad day, or are drunk, or are caught in traffic congestion, then they end up giving a low rating. Workers felt that this was quite unfair, and they also reported that 'at times passengers' ratings were based on the conditions of the car'. Workers also reported that for every low rating they received, they had to get five to six good evaluations to recover or improve their ratings.

Drivers on taxi platforms are often not provided with sufficient information about the destination of the ride, and they have 15 to 40 seconds to accept or decline a ride. If they decline a ride, they are automatically penalised by the algorithm, which can have implications on the workers' earnings or access to work. Taxi drivers in the ILO survey reported that when they declined a ride, their ratings were lowered, they got fewer rides, they did not receive bonuses, and their accounts were blocked or suspended for a period of time or deactivated (see Figure 2.4). About 40% of the workers reported such incidences, and around half the workers in India, Indonesia, and Mexico reported facing repercussions when they cancelled the rides. Drivers on taxi platforms are thus in a precarious situation and do not have the freedom and flexibility that they should enjoy as self-employed workers. Platforms use the ratings and the incentive structure to ensure that the taxi drivers are available and do not decline a ride and affect their reputation in the market.

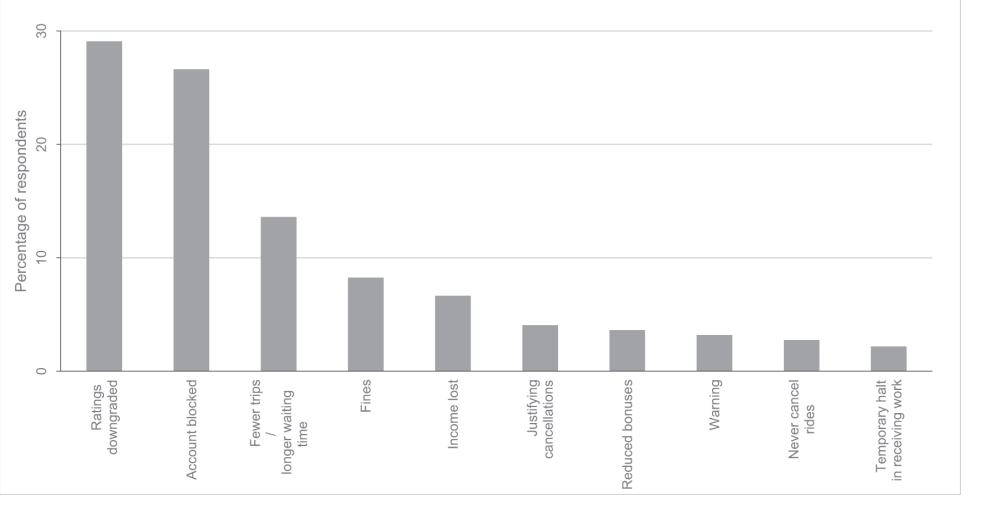

Figure 2.4 Repercussions faced by workers on taxi platforms for cancelling rides.

Source: ILO country surveys of taxi drivers (2019 and 2020).

Finally, workers on taxi platforms are also monitored through the data collected using geographical positioning system (GPS), which allows the platform to track in real time what is happening and improve the algorithmic management and automated decision-making for matching and other purposes. This real-time intelligence is a large competitive advantage for platforms, when compared to the traditional taxi sector. This is used to enable dynamic pricing, which changes every 30 seconds and is based on a number of factors, such as the predicted route, estimated traffic, and the number of users at a given moment, among others, which are not disclosed to the public. Similarly, automated decision-making is used to determine the taxi drivers' ratings and deactivate drivers with low ratings. In addition, data collection strengthens platforms' control over workers, particularly by enabling them to determine more accurately access to work and overall access to the platform. The control that the platforms have over data leads to a power imbalance, and the restricted access to personal data leaves the platform workers with no leverage to take on these platforms in case of disputes.

The control mechanism that is exercised through the platform's algorithm resembles that of an employee-employer relationship, which has rightly led to a debate about the classification of these workers as employees in a number of countries (ILO 2021). Finally, platform companies can alter the algorithm based on the behaviour of workers, allowing the platform company to exert even greater control over the workers, often removing the free agency due to the profound power imbalance. Moreover, there is no transparency in the source code of the algorithm, and it is a 'black box' not accessible to workers (Pasquale 2015), which is a source of concern as the workers are kept in the dark about the underlying decision-making processes, which are used to rate them, match them, and deactivate them from the platform without any notice and providing any reason.

3.3 Platform design features

Platform design features also have an impact on worker's access to work, especially for those from developing countries and can lead to discrimination and precariatising workers. Platforms allow clients, through their design features, to choose workers from their global pool of labour based on country, gender, age, and other characteristics. As discussed earlier, there is a large differential in pay on freelance platforms, as workers residing in developing countries earn 60% less than those based in developed countries. Some of the researchers have argued that such differentials could be due to information asymmetry and stereotypes about worker quality (Galperin and Greppi 2017; Beerepoot and Lambregts 2015; Lehdonvirta et al. 2014). However, such differentials might also stem from pure discrimination where clients think they do not need to pay more to the worker who belongs to a developing country, which was reported by workers in the interviews. It could also be because some of the well-paid tasks do not reach workers from developing countries.

A comparison of American and Indian workers on microtask platforms showed that highly experienced American workers earned about 2.5 times that of the Indian worker on AMT platform. This could be because some of the best-paid tasks, such as content creation and editing, were often available only to American workers and often posted during the night-time of the Indian workers, while many of the low-paying tasks, such as image annotation, data collection, and content access, were left to Indian workers (Rani and Furrer 2019). A lot of frustration was observed among Indian and other workers from developing countries because despite a very good rating and experience on these platforms, they were unable to get better-paid tasks. This form of discrimination is even more disturbing because about 58% of the microtask workers residing in developing countries were educated in STEM. In this regard, platforms are able to exploit the

institutional and regulatory vacuum by outsourcing tasks and precariatising the highly educated workers. As the nature of opportunities that are generated on these platforms do not coincide with the workers' skills and their educational qualifications, it raises concerns not only about the underutilisation of skills but also future career prospects or employability of these workers.

Workers from developing countries also face explicit entry barriers in some platforms as they are not allowed to register and perform tasks, and often this is due to prejudices about the worker quality. To circumvent the barriers they faced on platforms, they devised innovative mechanisms, such as using virtual private networks (VPNs) and remote desktop computers (RDCs), to mask their real location and to open an account. They also purchased fake identification accounts to open an account or purchased platform accounts as they were desperate to access work. All these strategies evade legal boundaries, thereby raising ethical and moral concerns (ILO 2021).

Finally, the practice of requiring a subscription plan to access work or paying fees to bid for projects also poses an entry barrier for workers from developing countries and those from low-income households due to lack of adequate financial capacity and can result in such workers facing *de facto* discrimination with regard to their participation on these platforms.

4. Conclusions

There is growing discontent among gig workers due to the challenges they face on platforms related to their working conditions. As these workers are geographically dispersed, it has been difficult to organise them, and the unionisation rates were found to be quite low (less than 5%) among the workers surveyed (ILO 2021). Despite the low unionisation rate, there has been a rise in protest actions by workers through informal worker associations since 2015 according to the Leeds index (Bessa et al. 2022). The reasons for the protest actions have largely been related to pay, employment status, health and safety and regulatory issues.

While governments have started to recognise and address some of the concerns related to working conditions of the workers, these have largely been restricted to the cases brought to the courts, and only recently there have been some attempts to take decisions at the federal or country level. Some of the measures that have been taken as a result of litigation are around the issues of employment classification, social security, working time and remuneration, and access to data and privacy (ILO 2021). Though the court decisions have started to shape the regulatory framework, there is still a lot of regulatory uncertainty as country-level solutions might not be sufficient as platforms operate across multiple jurisdictions.

To ensure that platform workers are protected, there would be a need for an international policy dialogue and coordination to ensure that universal labour standards are applied to all workers irrespective of their employment classification as employees and self-employed. It would also be important to ensure that workers have the right to unionise, collectively bargain, and be protected against discriminatory practices at workplaces. In addition, platforms need to be regulated so as to ensure that they do not exploit the workers by charging different type of fees. This practice of charging fees to workers is contrary to international labour standards, such as the ILO Protection of Wages Convention, 1949 (No. 95), or Private Employment Agencies Convention, 1997 (No. 181), which prohibits agencies, employers, and intermediaries from charging fees (ILO 2021).

Finally, while regulation of platforms is important, it is at the same time important to have employment or job-creation policies at the country level to ensure that sufficient jobs are created in the labour market which utilises the skills of the workers and support the development of the society and economy.

Note

1 See www.mturk.com/mturk/conditionsofuse, last updated 25 March 2020 and accessed on 9 October 2021.

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3

INCLUSION THROUGH THE PLATFORM ECONOMY?

The 'diverse' crowd as relative surplus populations and the pauperisation of labour

Patrizia Zanoni and Frederick Harry Pitts

1. Introduction

The platform economy has been cast as offering unprecedented work opportunities to workers belonging to socio-demographic groups traditionally marginalised in the labour market or excluded from it. Adopting a Marxian lens, this paper conceptualises crowdworkers as 'relative surplus populations' – subordinated, 'diverse' groups historically un- or underemployed or in unpaid reproductive work, informal work, and so on – intermittently integrated into the process of capital accumulation as 'free' wage workers through platforms. Such integration occurs by partially abstracting labour power from subordinated socio-demographic embodiments (e.g. gender, age, race, geographical location) and reconfiguring the capital-labour relation as a plethora of gigs, single transactions on the platform for which a large number of workers compete locally (for on location gigs) or globally (for online gigs). The resulting competition among workers enables platform capital to buy an increased share of labour power below the living wage, fundamentally disconnecting labour exploitation from its social reproduction. Labour becomes socio-demographically and geographically more 'diverse' yet also increasingly dependent on unpaid work, welfare state support, the subsistence economy and debt to survive.

Digitally enabled crowdsourcing platforms – which outsource tasks to a large pool of online workers, the 'crowd', in the form of an open call (Howe, 2006) – have emerged over the past decade as a novel modality to organise work. Although the volume of crowdwork remains to date a relatively small part of the totality of work globally, platforms have grown fast (Demirel et al., 2020) and are widely considered gamechangers, with far-reaching effects on specific sectors and, potentially, the future of work as a whole (Scholz, 2016). Against the background of a rapidly rising world population and stagnating labour markets (Benanav, 2020; ILO, 2021a), a 'significant imbalance between the supply and demand of work' (Graham et al., 2017: 152), and large shares of the population inactive (European Commission, 2020), platforms were early on portrayed by policymakers, labour market specialists, and even trade unions as a potential answer to structural unemployment, underemployment, and the exclusion of socio-demographic groups who have historically been marginalised in and excluded from the labour market (see Zanoni, 2018, 2019).

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Numerous national and international policy documents (Munoz et al., 2016; World Bank 2015) and international reports (e.g. McKinsey, 2015; Rockefeller Foundation, 2013) produced across the globe have celebrated work platforms as a new, inclusive, and emancipatory planetary labour market. Unprecedented employment opportunities, they argue, will arise for historically marginalised groups in Western countries and for unemployed and inactive masses in low- and middle-income countries, increasing employment and reducing poverty. From a macro perspective, platforms are cast as activating 'idle' human resources turning them into 'assets', disrupting inefficient, old-fashioned, malfunctioning labour markets which protect insiders yet exclude outsiders: individuals taking up unpaid care work, individuals with disabilities, ethnicised and racialised individuals, young people, and individuals living in remote areas and in other countries, including in the Global South (Graham & Amir Anwar, 2019; Graham et al., 2017; for an overview, Zanoni, 2019). By matching work demand and offer, platforms, it is held, foster inclusion and democracy, offering novel income opportunities to those who have too long been excluded from work.

In this chapter, we theorise the inclusion of 'diverse' workers into global capitalism by means of platform crowdsourcing through the prism of the Marxian notion of 'relative surplus population', by which is meant 'the portion of the working-age population, who are surplus to the immediate needs of capital for waged labour at any given place and time (Marx, 1990)' (Bernards & Soederberg, 2020: 1). These constitute a share of the proletariat that is structurally un- or underemployed, in unpaid socially reproductive work, subsisting through the informal economy, or lacking a living wage to meet basic subsistence needs (Marx, 1990; Yates, 2011). Our reading is theoretically informed by the recent appreciation, in contemporary strands of Marxian thought, of the key role of relative surplus population in processes of capital accumulation (Benanav, 2020; Bernards & Soederberg, 2020; Denning, 2010; Dyer-Witheford, 2015; Endnotes, 2010; Neilson & Stubbs, 2011; Pitts, 2020; Werner, 2011).

Drawing on the existing empirical evidence on the profile of crowdworkers and the conditions of their work, we show how platforms' capital accumulation rests on the digitally mediated 'reworking of hierarchies of racialized and gendered difference', which redraws the 'boundaries between hyper-exploited wage work and the people and places cast out from its relations' (Werner, 2011: 1573–1574). Our reading moves away from common interpretations of crowdsourced work as the formalisation of informal work (Unni, 2018; Weber et al., 2021), the transformation of wage work into self-employment (De Stefano, 2015; Felstiner, 2011), or the shift of capital accumulation from labour exploitation to rent (Langley & Leyshon, 2017a), combined with the value derived from the systematic collection of data through the platform infrastructure (Dean, 2020; Mazzucato, 2019; Sadowski, 2020). It is centred on the relation between platform capital and an expanded, internally differentiated and pauperized labour class, which is increasingly dependent on debt, unpaid work, state support, and the subsistence economy for its social reproduction (Neilson & Stubbs, 2011; Schor et al., 2020; Zanoni, 2019).

The text is structured in three main parts. First, we summarise the main reasonings informing policy texts heralding crowdwork platforms as making the labour market more inclusive. Second, we delineate the notion of relative surplus population and relate to it the evidence from studies on the composition of the crowd and the terms of crowdwork. Finally, we conclude with a reading of crowdsourcing as transforming not only the socio-demographic and geographical composition of labour through the digitally mediated integration of part of the relative surplus population but also, by so doing, its relation to capital, weakening labour's ability to obtain a living wage from the sale its labour power.

2. The promise of inclusion through crowdsourcing platforms

Crowdsourcing platforms are businesses that digitally intermediate between clients and workers for specific tasks, either to be carried out completely online (e.g. AMT, ClickWorker, Upwork) or physically, on location (e.g. Uber, Uber Eats, Rappi), in interaction with clients (Codagnone et al., 2016). They capitalise on digital economic circulation by reducing the transaction costs of market exchanges and exploiting network effects (Langley and Leyshon, 2017b). The term 'crowdsourcing' was introduced 15 years ago to refer to the heterogeneous, undefined mass of anonymous individuals who hold a 'talent' – in other words, labour power – which the platform potentially renders marketable (Howe, 2006). Unlike existing labour market intermediaries, which simply broker between firms and workers, platforms fundamentally reorganise the relation between them. Work is fragmented into defined tasks, or gigs, which represent the object of single transactions through the platform, reconfiguring work and employment in time and space. Through platforms, the pool of workers – the 'crowd' – needed to complete tasks either on the web or on location can be cheaply and flexibly recruited instead of relying on their internal or insourced workforce (Irani, 2015; Rani & Furrer, 2019).

Platforms are commonly seen to foster inclusion in two main ways. On the one hand, it is argued that they empower individuals by connecting them to the right work opportunities in a 'seamless' and 'efficient' fashion (McKinsey, 2015). By breaking down the spatio-temporal boundaries of traditional jobs, which both reflect their historical development and reproduce the socio-demographic profile of incumbents (cf. Ashcraft, 2013; Pongratz, 2018), platform work broadens the profile of those that can enter them. In particular, by limiting the information available to employers on workers' profiles on the platform, crowdsourcing reduces the grounds on which employers can discriminate (Galperin, 2019; Graham et al., 2017). To the extent that the platform abstracts labour from the socio-demographically marked embodiments of the workers that carry it out and renders that labour more 'impersonal' through the standardised terms of communication it imposes, it has, in principle, the potential to equalise employment conditions by diminishing the possibility of direct and indirect discrimination by employers (cf. Elvira & Graham, 2002). The algorithmic reorganisation and valuation of labour, along bits of coded information, potentially undermines the traditional 'mechanics of discrimination' based on workers' categorisation along socio-demographics (Moor & Lury, 2018; Cheney-Lippold, 2017). Rahman argues that platforms

> 'see' people in a new way (Fourcade & Healy, 2016). Markets and organizations have always tried to classify people into broad, aggregate categories. Previously, such classifications were based on characteristics such as income, gender, age, and race. Now, 'the new classifier is inside, looking around. It knows a lot about what you have done in the past. Increasingly, the market sees you from within' (Fourcade & Healy, 2016: 23). Seeing 'from within' means that platforms employ algorithms to collect users' data as they interact on the platforms, dynamically classifying people using various ratings, rankings, and categories.
>
> (2021: 978)

On the other hand, by breaking up large tasks fragmenting multiple skills into smaller tasks and making them the object of single transactions, or gigs (e.g. entering information into a form, transcribing audio, labelling an image, usability testing, research surveys, medical studies, delivering food, driving customers), platforms deskill (Leimeister et al., 2015) and fragment wage work, broadening the pool of workers that can potentially carry out the resulting tasks.

This reorganisation of work can potentially redistribute income from wages more equally not only within specific countries but also across them, within a global labour force constituted through digital mediation, making wages 'converge' (Beerepoot & Lambregts, 2015), leading to a 'global rebalancing of wages' (Government of Canada, 2016). Echoing a well-rehearsed argument, Kittur and colleagues for instance point to how 'crowd work creates new opportunities for income and social mobility in regions of the world where local economies may be stagnant and local governmental structures discourage investment' (2013: 1302), a potential of particular relevance for many contexts in Global South (Graham et al. 2017; Lombardozzi 2020; Stevano 2020). Both in emergent and advanced market economies, platforms are also seen to carry the potential to move economic activities from the informal economy into the formal sphere (Unni, 2018; Ford & Honan, 2019; Randolph et al., 2019; Weber, Okraku, Mair & Maurer, 2021; Zanoni, 2019). This is taken to benefit individuals and groups marginalised on the basis of gender, ethnicity, incarceration, or peripherality, including the unemployed and/or the underemployed, an inclusion that companies engaged in the platform economy have been themselves keen to emphasise (Huws et al., 2016; Ipeirotis, 2010; Kässi & Lehdonvirta, 2016; Kuek et al., 2015).

Underpinning these narratives is the promise of integration into capitalism by means of the redistribution of opportunities, work, and income between workers. The platform is assumed to reduce inequalities *within* the labour class by enhancing the position of historically subordinated groups in wage work relative to the one of an able-bodied white Western male worker. The promise is a better deal for one's labour power and more security than that obtained through unpaid work in socially reproductive work or the informal economy and/or located in economic periphery of global capitalism (see Fraser, 2013).

3. Relative surplus populations: The crowd behind the platform

To theorise platforms' inclusion of 'diverse' crowd into capitalism, we conceptualise the latter as a 'relative surplus population', a Marxian term referring to the part of the population structurally engaged in non-wage relations, such as informal labour, subsistence work, unpaid reproductive labour, modern slavery, and so on. The relative surplus population constitutes a reserve army of labour, in that it is intermittently turned, by the platform, into formally free, if hyper-casualised, wage labour (Neilson & Stubbs, 2011). In Marx's analysis,

> capitalist development generates a contradictory temporal logic of employment that alternately makes labour surplus and redeploys surplus labour. On the one hand, capital's search for increasing productivity under the whip of competition reduces necessary labour time and implies, at any moment, the expulsion of a portion of the actively labouring population. While redundant, this surplus labour is a surplus population, 'useless until such time as capital can utilize it' (Marx, 1973: 399). On the other hand, capital can only transform surplus labour into surplus value by 'setting necessary labour in motion' [reintegrating it into the process of capital accumulation] to generate a surplus product (Marx, 1973).
>
> (Neilson & Stubbs, 2011: 436)

The qualifier 'relative' points to this inextricable relationship of surplus populations to the cyclical expansion and contraction of capital accumulation. To constrain the upwards pressure on wages at times of labour demand, Marx holds, production needs to be spatially and/or technologically restructured so as to integrate part of the relative surplus population in order to secure the valorisation and accumulation of capital (see also Denning, 2010).

The notion of relative surplus population is a particularly productive lens to theorise the crowd because it foregrounds the necessity to move beyond classical forms of wage labour to explain the position of large parts of the world population within the process of global capital accumulation. It points to the importance of the temporal discontinuity of these workers' engagement in wage labour resulting in 'highly variegated, multiple, and complex relations with the circuits of capital accumulation' (Bernards & Soederberg, 2020: 1). Emphasising the mutually constitutive nature of the relation between this engagement and the geographical and socio-demographical inscription of labour, Chen writes,

> wage-labour is not the only stable form of exploitation on the basis of which capitalists can profit. Capitalism has not only proven fully compatible with unfree labour – from slavery, indentured servitude, convict leasing, and debt peonage to gendered forms of home-work and unwaged reproductive labour – *it has required the systematic racialisation of this labour through the creation of an array of effectively non-sovereign raced and gendered subjects*.
>
> (2013, emphasis in original)

The relative surplus population thus reflects the processes of racialised and ethnicised differentiation and (de)valuation of labour in contemporary global capitalism (Chakrabarty, 1992; Hall, 1986). The multiplicity that characterises it is the product of colonial regimes of biopolitical (Foucault, 2010) and necropolitical (Mbembe, 2003) governmentality that establish 'racially ontologized hierarchies of space, which permitted the hyperexploitation of certain (colorized) bodies and lands, but not others' (McIntyre & Nast, 2011: 1466; see also Lazzarato, 2009; Zanoni & Miszczynski, 2021).

Starting from these theoretical premises, in what follows, we reconstruct this multiple, variegated relative surplus population constitutive of the 'crowd' by drawing on the extant literature that has attempted to chart its socio-demographic profile, access to gigs, wages, and forms of social protection.

The crowd is diverse and stratified

Studies charting the composition of the crowd conducted over the past few years acknowledge its internal socio-demographic diversity while also consistently pointing to the predominance of highly educated, able-bodied young male individuals within it (Andjelkovic et al., 2019; Berg et al., 2018; ILO, 2021a; Pesole et al., 2018; Schor, 2017). While the crowd is spread across the globe, it works for platforms largely concentrated in the Global North (ILO, 2021b; Pongratz, 2018). Only 30 to 40% of the crowd are women, and this share decreases to only one in five workers in the Global South (Berg et al., 2018; see also European Parliament, 2017; ILO, 2021a). As is often the case for classical wage labour, the proportion of women is also inversely proportional to the hours of platform work (Adams & Berg, 2017; Malik et al., 2018). Discrimination based on gender and nationality is ubiquitous (Beerepoot & Lambregts, 2015; Galperin, 2019), as workers from the Global South are commonly marginalised and excluded by platforms and clients in a variety of ways, ranging from overt discrimination to competition dynamics privileging those with a specific cultural capital (English skills, high education, culture-sensitive self-marketing skills) (Demirel et al., 2020). Also, available evidence shows that workers with health conditions represent only a small fraction of crowdworkers (Berg et al., 2018), and crowdwork often remains inaccessible to workers with disabilities (Swaminathan et al., 2017).

The crowd's access to gigs and underemployment

The most recent global statistics collected on the crowd indicate that, on average, crowdworkers on online gigs work 27 hours a week, of which about one-third are unpaid but nonetheless necessary to access and engage in crowdwork (e.g. updating profiles, searching for tasks, doing unpaid qualification tests, communicating, researching clients to mitigate fraud, and writing reviews) (ILO, 2021a; Pesole et al., 2018; Rosenblat & Stark, 2016), and crowdworkers working on location work very long hours, ranging on average from 59 hours a week (in the delivery sector) to 65 hours a week (in the taxi sector). Contrary to the idea that crowdwork is an occasional, transitory activity, a substantial share of workers perform it over long periods of time (Berg et al., 2018). Although platform work does open up possibilities to work that were often previously unavailable to some, studies consistently report that crowdworkers would like to work more through the platform and/or that there is insufficient work priced at a rate they are willing to accept or for which they qualify (Berg et al., 2018). Many workers, on both web-based and location-based platforms, would like to work more but cannot due to intense competition for very few well-paid tasks, while 41% of crowdworkers are actively looking for paid work other than crowdwork (ILO, 2021a). Taken together, and in line with the characteristics of the relative surplus population described earlier, these figures indicate a high degree of persistent underemployment (Cantarella & Strozzi, 2018; Huws et al., 2017).

Crowdworkers find themselves in a particularly weak position to determine how much they work due to information asymmetries between workers, platforms, and clients; lack of transparency; and the monopsonistic nature of platforms (Ipeirotis, 2010; Kingsley et al., 2015; Rosenblat & Stark, 2016; Cant, 2020; van Doorn & Badger 2020; Wood et al. 2019; Gandini 2019; Christophers, 2020). On the one hand, they are at the mercy of clients, who in many cases define the gigs and hold unilateral power to rate them negatively, reject their work, and deny pay. On the other hand, the platform can arbitrarily shut down their accounts and deny them access to the platform, without explanation (Fieseler et al., 2019; Gerber, 2021).

Although platforms mediate the relation between workers and clients, crowdworkers' profiles often comprise personal information, including their name, photo, job title, salary expectations, hours worked, jobs completed, location/country, portfolio of skills, overview, customer feedback, previous projects and success rate, and even contact details (Pongratz, 2018). The more complex the task, the more crowdworkers are encouraged and required to provide information to promote themselves towards clients. This information greatly reduces the abstraction of their labour power from their socio-demographically marked embodiments, triggering bias and discriminatory behaviour that reproduces the inequalities characterising traditional labour markets (Galperin, 2019; Ge et al., 2016; Graham et al., 2017; Hannák et al., 2017; Rosenblat et al., 2017; Swaminathan et al., 2017).

The crowd's income and social protection below the living wage

Crowdworkers have a low hourly income, which is further lowered by the unpaid work they are required to do to keep working through the platform. According to the survey data reported by Berg and colleagues (2018), in 2017, a crowdworker earned $4.43/hour on average, which went down to $3.31/hour when time for unpaid work was included. Median earnings were lower, at just $2.16/hour for paid and unpaid work. Earnings are further negatively affected by intense competition, high commission charges by the platform, and non-payment by the client (ILO, 2021a). Tellingly, the vast majority of surveyed crowdworkers located in the Global North earn way below the national hourly minimum wage, although the income gap varies

depending on the country (e.g. lower in the United States than in France or Germany, reflecting minimum wages set at different levels) (European Parliament, 2017). A study by Cantarella & Strozzi (2018) shows that, after controlling for the nature of the job, crowdworkers earn 70.6% less than regular employees with similar skills. This striking difference is an effect of the combination of 'competition from equally skilled but cheaper labour from other countries within the same platform' – a group that they call 'digital immigrants' – and 'lack of labour rights and minimum standards stemming from the status of independent contractors' (Cantarella & Strozzi, 2018: 32).

Contra equalising narratives and in line with the idea of an internally variegated relative surplus population, the hourly income of crowdworkers is substantially different based on their socio-demographic profile and geographical location – for instance, workers in Northern America ($4.70) and Europe and Central Asia ($3) and those of workers in other regions who were paid between $1.33 (Africa) and $2.22 (Asia and the Pacific) (UNCTAD, 2019). Hara and colleagues (2019) found that female, disabled, and India-based crowdworkers on Amazon Mechanical Turk had lower incomes than male, able-bodied, and US-based ones, respectively. While the evidence of a gender pay gap is somewhat mixed, the mechanics of platforms tend to reward workers carrying out a higher volume of work, and the gap between the earnings of workers in developing and developed countries is very clear. Comparing the wages of US, UK, Indian, and Filipino contractors, Beerepoot and Lambregts (2015) also found that workers from the two Western countries received the highest absolute wages. However, those from the two Asian ones received the highest relative wages, indicating a certain degree of wage convergence across countries (see also ILO, 2021a). While this insight suggests the emergence of a more global labour market, the authors observe that country of origin, gender, or other factors still played an important role and skills, and experience did not result in higher remuneration due to the fierce competition putting a downward pressure on wages. Indeed, the existing empirical studies suggest that the crowd not only remains grossly underemployed but also is to a large extent, largely overqualified (ILO 2021a; Pesole et al., 2018; Rani & Furrer, 2019, 2021; Schor, 2017).

Crowdwork furthermore often comes without social protection coverage (e.g. sick leave, holidays, maternity leave, health cost insurance, pensions, and unemployment benefits), which substantially increases crowdworkers' insecurity. Many platforms have used the absence of conventional managerial control and less clearly defined spatio-temporal boundaries to place gig work outside the existing legal and regulatory definitions of employment (Aloisi, 2015; De Stefano, 2015) and relied on formally self-employed contractors (Felstiner, 2011; Zanoni, 2019). Various studies report that individuals' social protection coverage is inversely related to their dependence on crowdwork: the more workers are dependent on crowdwork, the more they are likely to be unprotected (Berg et al., 2018; ILO, 2021a; Vallas, 2019). Crowdworkers covered by social protection are so largely based on their main job in the offline economy, the work-related benefits of their family members who also covered them, or state-sponsored universal benefits (Berg et al., 2018; UNCTAD, 2019).

4. Crowdsourcing, inclusion, and the transformation of labour

Undermining narratives on the platform economy as a motor of inclusion and emancipation of historically subordinated groups, we are witnessing not the undoing of historically sedimented socio-demographic and geographical categories that stratify the labour market but rather their digitally mediated redrawing (Moor & Lury, 2018; Cheney-Lippold, 2017; Lazzarato, 2009; Rahman, 2021; Werner, 2011). Platforms integrate a vast pool of permanently superfluous labour produced by capitalist global dispossession and technological innovation, who are chronically 'in excess', into

the process of capital accumulation as crowdsourced wage labour. They 'create a situation where surplus populations . . . intermittently summoned to on-call virtual work at globally arbitraged rates [are] systemically "included via exclusion" (Theorie Communiste, 2011)' (Dyer-Witheford, 2015: 123). The discontinuous, ephemeral nature of this integration entails that, for them, 'waged work is always contingent, constantly liable to unemployment' (Dyer-Witheford, 2015: 123 based on Marx, 1973). This account of digital platforms' extraction of value from the 'diverse' crowd differs from common explanations focused on the reduction of labour costs through forms of 'bogus' self-employment (De Stefano, 2015; Felstiner, 2011) or the incorporation into capitalism of activities historically located in the informal economy by turning them into gigs to generate profit (Unni, 2018; Weber et al., 2021).

Our reading further reveals how this contingent inclusion of the relative surplus population through the platform is part and parcel of a fundamental transformation of labour into a category whose 'wage demands [towards capital have increasingly] become *illegitimate*' and even pushed 'outside the circuit of capital' (Théorie Communiste, 2011). Once formal self-employment and global competition between workers structure capital-labour relations, 'wageless life' (Denning, 2010) – a life in which the wage is no longer structurally sufficient to reproduce life – is normalised. The post-war social-democratic compromise underpinning the Fordist accumulation regime was predicated on the constitutive exclusion of some from the labour class: a necessary and constitutive 'outside' comprising women carrying out social reproduction labour in the household and indentured, super-exploited, and unfree labour in the colonies (Cottom, 2020; Denning, 2010; Fraser, 2016). Today, platforms redefine labour through the inclusion of those who have historically occupied its constitutive 'outside' – the unemployed and the 'inactive' – as a 'many-layered multiverse global proletariat' issued from 'cybernetic proletarianization' (Roth, 2010). Tellingly, Roth's

> portrait of cybernetic proletarianization includes the world-historical exodus of agrarian populations from the land as automation and biotechnologies disintegrate peasant cultures; the consequent formation of vast surplus populations engaged in informal and subsistence labour; the electronic supply-chain-enabled transfer of manufacturing work from the global north-west to Asia; the growth of a diffuse 'service sector' involving wage labour in the spheres of circulation and social reproduction; the mobilization of women both for wage work and unpaid domestic labour; and the escalation of unemployment, underemployment, and insecure labour and unpaid work.
>
> (Dyer-Witheford, 2015: 126)

For Fuchs, platforms represent a response to the inherent contradictions of the accumulation of capital by attempting to 'mobilize world labor power without restriction in order to utilize all productive forces of the globe' (Luxemburg, 1913/2003: 343 in Fuchs, 2016).

Since its collapse and restructuring in the 1970s and the 1980s, a dual disconnection between capital accumulation and the reproduction of labour power has emerged. On the one hand, the valorisation of capital no longer ensures a wage sufficient for the reproduction of labour power (Théorie Communiste, 2011). On the other hand and related, the consumption necessary for such reproduction is increasingly funded through debt, welfare state provisions where still possible and available, or the subsistence economy. This attack on wages and, by extension, the other conditions for the reproduction of labour to reproduce capital, such as welfare services, is not a mere worsening of the deal between capital and labour. Rather, it is constitutive of a new relation. Unlike in the past, today exploitation no longer produces 'its own conditions of realisation through the construction and recognition of the proletariat' as a legitimate 'national interlocutor (both socially and politically), from the point of view of capital' (Théorie Communiste, 2011).

Labour may well be more 'inclusive', yet no longer secures its social reproduction through the wage nor recognition in and by the state.

5. Conclusion

Taken together, the empirical evidence on crowdwork indicates a certain degree of 'diversity' of the crowd along key socio-demographic and geographical lines, yet a failure to emancipate historically subordinated workers. Inequalities along the same socio-demographic lines characterising classical labour markets and organisations re-emerge in platform-mediated labour due to the incomplete abstraction of labour power from crowdworkers' subordinated embodiments (e.g. Adams & Berg, 2017; Aleksynska et al., 2021; Beerepoot & Lambregts, 2015; Demirel et al., 2020; Galperin, 2019; Graham et al., 2017; Swaminathan et al., 2017). The crowd remains fundamentally socio-demographically and geographically demarcated, as a relative surplus population (McIntryre, 2011). At the same time, crowdwork enforces substantially less favourable work and employment conditions (Cantarella & Strozzi, 2018; Vallas, 2019; ILO, 2021a). It constitutes 'a new category of idle workers whose human capital is not being fully utilised nor adequately compensated' (Cantarella & Strozzi, 2018: 32) or protected (Rani & Furrer, 2019, 2021). Tellingly, already in conceptualising the crowd, Howe (2006) prophetically pointed out that the purchase of such talent from 'dabblers, hobbyists and part-timers' would cost much less than employees' wages.

The rhetoric of the 'inclusive' platform economy is particularly powerful. Even those studies providing empirical counterevidence to the claim of inclusion often reiterate it, *de facto* reproducing a normative ideal of the platform economy that, while never lived up to, does not cease to exist, as a technologically determinist mantra which cannot be disproven (e.g. Andjelkovic et al., 2019; Braesemann et al., 2020; Kittur et al., 2013; Pesole et al., 2018). Platforms operate as a crucible for capitalist experimentation with new digitally enabled mediations that leverage the necessity of the proletariat, dispossessed of the individual and collective means to reproduce itself independently of the wage, to obtain the means of its subsistence by selling its labour power. As observed by Harvey:

> If labour is scarce and wages are high, either existing labour has to be disciplined – technologically induced unemployment or an assault on organized working-class power are two prime methods – or *fresh labour forces must be found by immigration, export of capital or proletarianization of hitherto independent elements of the population*.
>
> (Harvey, 2008, 23, stress added)

Platforms do the latter. They indeed 'include', as under capitalism it is better to be exploited than not exploited at all (Denning, 2010; Fraser, 2013). They contribute to generating an 'unevenly stratified and segmented global labouring population' that will be, over the longer term, in Marx's estimation, 'numerically dominated by the strata of the relative surplus population' (Neilson & Stubbs, 2011: 437). Doing so, we argue, platforms virtually pauperise labour.

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4

ENTREPRENEURIAL FINANCE CAPITAL AND THE GIG ECONOMY

Austin Zwick

1. Introduction

A decade ago, the word 'Uber' was little more than a German word for 'above' or 'super', more closely associated with the writings of 19th-century philosopher Friedrich Nietzsche than anything else. A 'TaskRabbit' may remind people of the 1990s Energizer bunny commercials. 'Airbnb' would conjure up imaginations of bed and breakfasts in the sky. Yet all of these terms went from meaningless terms to corporate eponyms – names that stand in for what they are describing – in our common lexicon (e.g. 'let me Google that'). At an unprecedented speed and scale, gig economy companies launched and exponentially grew to change business strategy (Cohen and Kietzmann 2014), labour relations (Zwick 2018; Wolf 2021), municipal regulatory regimes (Biber et al. 2017; Spicer et al. 2019), and more – even altering the English language itself. How did this happen? What role that does this form of 'get big fast' finance play, with its focus on growth at all costs, on dehumanising workers into a mere industrial input?

The platform economy is defined as digital business models where profit is derived from entities serving as intermediaries, rather than a traditional service provider, between providers and customers (Zwick et al. 2021). The gig economy is defined as the contingent, short-term work arrangements that the platform economy fostered (Zwick 2018). This chapter explains the crucial role that finance capital played in assisting the platform economy to grow at this unprecedented speed and scale, which necessitated and revolutionised the neoliberal industrialised relations that predicated the gig economy.

This first section of this chapter introduces how and the why the platform economy's major players operate in a relatively concentrated geographic and an exclusive social space. The second section focuses on the types of players in the start-up space – angel investors, venture capitalists, sovereign wealth funds, and so on – and their roles and timelines in financing innovation. The third section focuses on case studies of companies that successfully launched radical innovation ventures: Uber, TaskRabbit, and Airbnb. The four section discusses comparisons and contracts of these case studies. The conclusion section summarises the chapter then discusses what entrepreneurial finance of the platform economy has meant for the gig economy.

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2. Silicon Valley and the innovation economy

The story of 'why' begins with 'where'. Silicon Valley is one of the most technologically sophisticated and innovative economic ecosystems in the world (Engel 2015; Pique et al. 2018), defined by creative destruction and perpetual reinvention; the decline, rebirth, and consolidation of multiple technology industries is held together by the players, institutions, and environment interacting throughout its history in a tight geographic space (Saxenian 1996; Henton and Held 2013; Storper et al. 2015). Innovation ecosystems are established through a combination of 'regional assets, technological expertise, and the propensity to encourage – not to tolerate, but to *actually encourage* – the circulation of people and ideas' (Stewart et al. 2021: 270). The rise of platform economy encapsulates Silicon Valley's migration to the north into a dense urbanised environment, with almost the entirety of this new generation of firms located within a few block radius of each other in downtown San Francisco (Stewart et al. 2021), meaning that the investors and future owners of the next generation of the means of production are little more than an exclusive social club that is inaccessible to those without wealth and connections.

The fundamental driver for these innovative actors to come together is capitalist competition: the drive for profit (Gertler 2003; Wolfe 2014; Sardana 2016). Similar to the California Gold Rush of the 1840s, the contemporary Silicon Rush attracted a plethora of financiers – from angel investors to sovereign wealth funds – to flock to the Bay Area, seeking returns on their investment through funding a wide range of prospectors. Nuggets are to be found in *incremental innovation*, referring to small changes made to a product or process. Building a better mousetrap will always find investors and buyers looking for smaller, safer returns on investment. However, the search for El Dorado is in *radical innovation*, referring to instances where a profoundly new idea can disrupt markets and lay the foundation for new business models, technology platforms, and commercial possibilities (Chen and Nie 2017; Christensen et al. 2018). The platform economy is a prime example of radical innovation because digital innovation and technology-based products can more easily scale up to reach global markets (Anwar 2017). As such, the capitalists who control the platform economy, as seen throughout this volume, have the power to set wages and conditions of employment for workers globally. Each country and city did not need to invent the gig economy independently, rather this form of neoliberal industrial relations was created in Silicon Valley, then exported and replicated worldwide (Zwick 2018).

Seeking fortunes, an entire industry of risk-taking inventors and incubators popped up to grow these fledging radical innovation ventures. Henrekson and Johansson (2010) discuss how the short-term goal is to become 'gazelles' (sales growth of more than 20% for three more consecutive years) in their markets on the way of their long-term goal of becoming 'unicorns' ($1 billion valuation). Without this tight-knit social club of risk-taking financiers and their financial capital, the platform economy may never have emerged as start-ups would have been unable to scale at the speed necessary to disrupt industries and become financially self-sustaining prior to the onset of stressors (e.g. regulation) catching up to them; nor would have traditional investors been willing to take the significant losses that were necessary to establish and dominant market share. For example, when Uber entered into a market, the company would recruit drivers through heavily subsidising their piece-rate wage. For years, the company lost money on every ride and only began to curtail this practice after successfully establishing their market position by squeezing the local taxi industry.

Anwar (2018), looking at platform-economy firms, comes up with the following list of recommendations for start-ups: (1) capitalise on industry-specific issues and changing environments, (2) pay attention to branding and image, (3) cultivate a distinctive model for growth, (4) seek out niche opportunities, (5) nurture consumer loyalty, and (6) scout new products

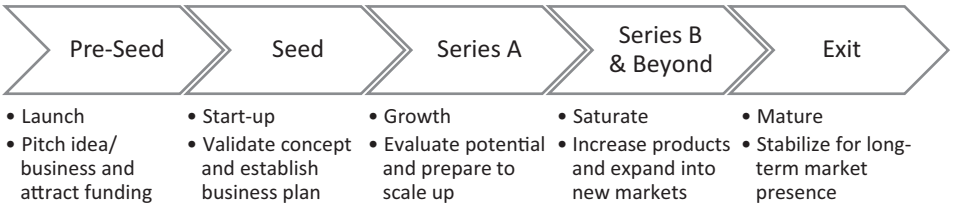

Figure 4.1 Financing and growth phases of entrepreneurial enterprises.

and markets. This might be sound advice to investors, but what is not-so-curiously missing is respect, loyalty, and care for labour. To investors and entrepreneurs, labour is no more than an industrial input to be extracted and managed at the lowest cost possible. It's this mindset that created and reproduced the gig economy.

The terminology found in the academic literature to describe the growth phases and patterns of new firm formation differ however the ideas remain relatively consistent. Figure 4.1 breaks down these phases as used in this chapter. The pre-seed round is the launching of the firm when pitches are made to attract further funding for growth. The seed round is the start-up phase of the firm where the idea has been validated through early sales and a business plan for growth is established. The series rounds (A, B, C, etc.) are where the business is focused on growth through expanding products and entering new markets. Finally, the business is matured, and early investors will be looking for a successful exit strategy. The vast majority of new start-ups will fail before completing all of these steps, with only approximately half of all start-ups surviving more than five years (Bureau of Labor Statistics 2016). Each step they do make it through increases their survival rate to the next step. Even with substantial venture capital backing, more than 75% of firms either fail or sustain only a marginal existence (Ruhnka et al. 1992). Successes are the exception rather than the norm.

3. Types and timelines of investors

Pecking-order theory (Myers and Majluf 1984) explains that entrepreneurial enterprises seek to maintain ownership control of the firm as much as possible. To do so, they choose financing options in the order that minimises the share of the company that must be sold. At the top of the pecking order is B loans from banks, as no equity needs to be sold, but this form of financing is usually unavailable to them as banks see unproven entrepreneurs as too risky for traditional lending products. This is where the role of entrepreneurial financial capital steps in to exchange financing for equity, sharing both the risk of failure of the enterprise but also the rewards of its success. Staying at the forefront of technological change (e.g. buying up their competition) is how the rich lock in their class position into the future.

As shown in Figure 4.2, early investors are informal, take on higher risk, and invest smaller dollar amounts. Later investors are more formalised, take on lower risk, and invest larger dollar amounts. Knowing this, investors spread their investments out to a wide portfolio of companies, preferring to make relatively small investments in hundreds of start-ups with the strategy that a single successful firm will cover the losses of the many others that do not survive (Kim and Wagman 2016).

Although the media portrays venture capital firms as money-generating machines by focusing on success stories, the reality is much more subdued when the industry is viewed more once expenses and failed investments have been accounted for. Hall and Woodward (2010) report

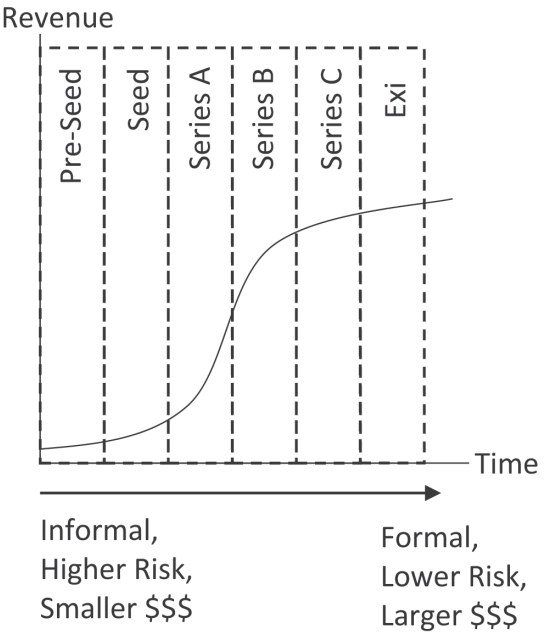

Figure 4.2 Growth trajectory of entrepreneurial enterprises.

that about 50% of the venture capital-backed ventures had zero-value exits; in other words, they survived several rounds of financing but were unable to turn a profit for their investors. Sahlman (2010) finds that over 65% of investments fail to have a positive return and that 85% of returns come from only 10% of investments. Kaplan and Schoar (2005) show that the average net profitability of private equity investment funds is only 5% higher than the average profitability of the S&P 500 Index. Considering the experienced experts who work for venture capital firms find it difficult to figure out which start-ups will prove to be successful beforehand, especially when it comes to new technologies, markets, and teams (Hall and Woodward 2010; Kerr et al. 2014), this results in prima facie modest yields.

However, another way to view entrepreneurial finance is that it is the tool in which perpetuates wealth and control for capitalists. According to global investment bank Goldman Sachs, 10-year stock market returns for the S&P 500 have averaged 9.2% per year over the past 140 years with an acceleration to 13.6% per year for the 2010–2020 timeframe (Scheid 2020). Adding 5% to this value (Kaplan and Schoar 2005) would mean that buying into an entrepreneurial finance diversified investment portfolio would result in decade-long yields of approximately 15% per year with about the same risk as the stock investment. Even if the portfolio was less successful in any given with a percent or two less in returns by a percent or two, it would still be a better, safer return than almost any other investment vehicle. Besides the barrier of moving to Silicon Valley, is it even possible for regular, working-class people to join this social club and become owners of the future means of production? As explored in this paper, the simple answer is *no*. Entrepreneurial finance is how money makes money, how the rich become richer, and how capital perpetuates capitalism.

Table 4.1 shows that investors can be broken down into five categories (pre-seed, seed, series, institutional, and exit) based on the timing of their investments and therefore their place on the

Table 4.1 Types and Stages of Investors

	Pre-seed	*Seed*	*Series*	*Institutional*	*Exit*
Firm Stage	Launch	Start-up	Growth	Saturate	Any
Risk-reward	Very high	High	Moderate	Low	Any
Funding	Equity	Equity	Equity	Loans or debt securities	Buyout
Funders	Family and friends, science and technology parks	Seed investors, incubators/ accelerators	Venture capital, corporate venture capital	Banks, investment firms	Any

risk-return continuum. Early investments take on the most risk but also have the highest rates of return. Most entrepreneurial enterprises fail, resulting in complete tax-deductible write-offs by the investors. However, the substantial profits of the successes are more than sufficient to cover the losses by the failures. In a mere handful of cases, early investments may receive exponential returns if the company becomes a long-term success, particularly if they are able to commercialise a radical innovation. Later investors take on considerably lower risk as their financing comes only after the concept and business model have proven themselves. The following sections discuss the types of investors that fall within each of the categories in Table 4.1.

3.1 Pre-seed investors

Pre-seed investors are those who offer initial funding and support to get entrepreneurs started. Pre-seed investors can be broken down into small (individuals) or large (institutions). As founders begin to form their businesses, they must develop new capabilities, increase their resources, and address increasingly complex challenges (Hambrick and Crozier 1985).

For small entrepreneurial enterprises, the earliest money usually comes from the savings and credit of the *founders, family, and friends* (pre-seed funding is sometimes referred to as the 'family and friends' round). Without much more than an idea and a vague plan, these investors are gambling on their confidence of their personal contacts more than any other factor. Early sales may provide an alternative revenue stream to fundraising – this 'bootstrapping' is common among software entrepreneurs (Freear et al. 2002) – however, early sales more typically serve as proof of concept than a sustainable revenue stream, which in turn can help with fundraising. Funding is used towards proving merit of the idea, attracting initial customers, and securing funding for further growth or family and friends' savings or by generating some form of income with early product developments. This is where the social club is the most exclusive, and knowing the right people (e.g. capitalists) can make all the difference.

For larger entrepreneurial enterprises, *science and technology parks* are facilities that offer collaborative, institutional support from universities, industry, and government in the form of science grants and office space. These facilities are dedicated to taking theoretical ideas and working towards proof of concept before turning to attract further private funding for commercialisation. Investors here are motivated by their own considerations, including the public sector's goal of driving regional economic growth to the private sector's goal of developing intellectual property. Once proof of concept is established and further funding is allocated, these new firms move out of the safety of the facility and continue to grow in a market environment.

3.2 Seed investors

Seed investors are those who offer early funding to turn a fledging entrepreneurial enterprise into a small company. Funding is used for market research, product development, business plan development, and key initial hires. Seed investors may provide a powerful signal of potential and emphasise social network effects that increase the likelihood of later investors to follow suit (Dimov and Shepherd 2005; Carpentier and Suret 2015). Seed investors are typically either *angel investors* or *incubators/accelerators*.

Angel investors are high-net-worth individuals who provide financial backing to entrepreneurs and start-ups in exchange for ownership equity. This is where the Silicon Valley exclusive social club plays the biggest role; knowing where to find start-ups that need funding at the right moment. Often, angel investors are entrepreneurs themselves who wish to help the next generation of entrepreneurs succeed (and profit from them), lending their personal networks to help them along (Wong et al. 2009; Dutta and Folta 2016) and serving as the primary source of investment for start-ups (Mason and Harrison 1992). The investment decisions of angel investors typically rely on the funders' trust and passion for the product rather than a formal due diligence (Prowse 1998). As angel investors are keenly aware of the amount of risk involved, they often spread their money out over many different start-ups, with entrepreneurial finance usually composing less than 10% of their total investment portfolio (Kim and Wagman 2016). Some angel investors invest jointly with others, inviting their personal friends and professional connections to form *angel pools* to spread risk-reward out even further to cover more start-ups. Angel pools often take a more professionalised approach to investing than independent angels do, including more closely examining financials and screening of applicants (Collewaert 2012; Sohl 2011). This allows a small group of professional investors to invest on behalf of the exclusive social club.

Incubators and *accelerators* are firms that provide business assistance services, in-kind resources, and industry connections in addition to financial backing. They differ from angel investors in that they focus on further developing the start-up with the skills and resources it needs to succeed. Cohen (2013) describes how incubators and accelerators are similar to each other but differ in a few keyways. First, incubators are typically not-for-profits that are financed through public funding and focus on helping firms make the transition from early entrepreneurship to start-up, while accelerators are typically for-profit entities financed through equity stakes in their participants and are focused on helping firms make the transition from start-up to growth. Second, help from incubators tends to be continuous, while accelerators assist in a time-limited burst. Finally, because of the time-limited nature, accelerators are all-consuming of the founders' lives, whereas working with an incubator is more akin to working a nine-to-five job. The level of intensity of accelerators builds close cohorts and deep personal networks with the accelerator and the investment community, transforming the entrepreneurs into members of the social club. Entrepreneurs often point to the people they built relationships with as the most valuable part of the experience. Many incubators and accelerators are located inside of science and technology parks, funded by taxpayers, and are similar in terms of access to larger pools of capital and resources, both tangible and intangible.

3.3 Series investors

Once a firm is well-established into a company, it focuses on financing rapid growth through multiple series rounds (series A, series B, series C, etc.) to raise much more capital, at higher dollar values, and in more formalised means than in previous financing rounds, breaking out of the exclusive social club to bring in more investors from more places. Series rounds (typically

three to nine months) are based on a determined valuation of the company where equity is sold at a given price in exchange for capital to promote growth. Each of these rounds sell shares of equity that dilute the ownership of the previous investors; however, the overall valuation of the company should increase after each round which makes the owners of the earlier shares richer despite diluted shares. Seed round investors typically continue to pour money into firms – in other words, participate in multiple rounds – until they lose confidence in the start-up to make returns on their investment. The competence and experience required by the management team dramatically rises during the process of scaling up (Wasserman 2003). Series investors are composed of *venture capital* and *corporate venture capital*.

Venture capital firms are private equity firms that strategically invest in companies once they have established their potential and has been the primary source of finance for commercialising radical innovations (Kortum and Lerner, 2000; Samila and Sorenson, 2011). It is similar to accelerators as the investment comes with the in-kind contributions and added intangibles, but it is dissimilar as venture capital typically invests larger amount in fewer firms. Sohl (2011) finds that venture capital firms tend not to invest in firms who are seeking deals for less than $3 million. Venture capital focuses their financing on funding rapid growth which often means expanding the companies' products and markets to increase revenues. Their goal is to become partners in the development, helping them scale to succeed. This is where the 'get big fast' strategy takes hold for platform economy firms, with the goal of becoming 'unicorns'.

Venture capital-backed firms tend to be more successful than non-venture-capital-backed firms because of the selection, treatment, and visibility effects. The selection effect is that venture capital's screening and scouting ability helps them pick and invest in firms that are more likely to succeed to begin with (Amit et al. 1998). The treatment effect is that the support – both tangible and intangible – given by venture capital firms to companies is what helps them succeed (Bertoni et al. 2011). The visibility effect is that being backed by a venture capital firm raises the firm's awareness and credibility, which further improves their chances to find partners, customers, and employees (Stuart et al. 1999).

Corporate venture capital is similar to venture capital in its actions and investments, but their ownership structure and motives differ. Corporate venture capital is the investment arm of established companies that are investing in entrepreneurial enterprises to gain access to emerging technologies (Dushnitsky and Lenox 2015), facilitate the growth of complementary products or services (Chesbrough 2000), and monitor potential acquisition targets (Maula and Murray 2001). Corporate venture capital is particularly present in the technology sector as these firms play an important role in research and development of emerging industries (Stuart et al. 1999; Gompers and Lerner 2000), becoming the dominant form of financing for radical innovation firms (Lantza et al. 2011). These companies may begin to synchronise business efforts to share production/supply networks, customer information, office space, market research, or other endeavours for mutual growth. Corporate venture capital has a major disadvantage compared to venture capital funds in that they invest in line with the strategy and interests of their parent companies (Lantza et al. 2011). These parent companies are often technology companies themselves, which were funded by the previous generation of venture capital and corporate venture capital. This is how an ecosystem of entrepreneurial finance becomes established and is difficult to break into as an outsider.

3.4 Institutional investors

Institutional investors arrive only when start-ups become well-established with assets, revenues, and a functioning business model. This category is the lowest on the risk-return continuum and covers a wide range of players, from venture capitalists to commercial banks to investment banks

to mutual funds, which share common characteristics of (1) massive financial portfolios and (2) lower risk thresholds. These lenders will only invest when they are decently confident that the firm will turn a profit and bankruptcy is highly unlikely, and therefore, they are much likelier to make a return on their investment. Some may purchase a stake in the company prior to an *initial public offering* (IPO) while others may wait until afterwards.

One noteworthy difference between institutional investors, particularly commercial banks, from early rounds of funding is that they may be willing to lend financial capital without taking an equity stake in return or becoming involved in day-to-day operations. Though many institutional investors still want an equity stake, others may choose to purchase debt securities issued by the firm or offer commercial loans with assets/stock offered as collateral. This is advantageous to the firm because it reduces dilution of earlier shareholders. This arrangement is advantageous to institutional investors because they can reduce risk compared to equity stakes while still obtaining a satisfactory rate of return. These instruments are the lowest on the risk-return continuum because (1) debtors must be current with payments to lenders prior to profits being paid out, (2) there may be conditions in the contract that allow lenders to call the outstanding balance of the loan early, and (3) debtors may still owe lenders in the event of bankruptcy. Once a firm qualifies for institutional lending, this becomes a powerful tool in their fundraising arsenal. However, few firms ever make it this far.

3.5 Exit investors

Investors seek to profit from a firm's success and, therefore, are thinking about their exit strategy even before their initial investment takes place. Unlike other investment opportunities, entrepreneurial finance typically locks in investors until an exit window appears. Though an exit can happen at any time, it typically happens once the firm reaches a critical threshold of stability and is strategically timed by the stakeholders to maximise their return on investment. Exit investors are those who see future growth potential and a controlling stake of the equity/holdings of the company is up for sale, which allows the new owners to take over and early investors to make their exit. At this stage, entrepreneurs and early investors are able to turn their paper equity into profit for this first time. A few ways include a buyout by another early investor to consolidate their holdings, a buyout from a larger firm to merge companies, a buyout from an investment firm to add the firm to their portfolio, or an initial public offering of stock. Depending on timing and valuation, the risk and return of exit investors can vary widely. It is worth noting that a successful start-up may use its shares and equity to buy out other start-ups in their same market to help along their growth, prior investors at the purchasing firm making their exit.

4. Case studies

4.1 Uber

As shown in Figure 4.3, UberCab was founded by Travis Kalanick and Garrett Camp in 2009 as a taxi hailing service. Both were experienced entrepreneurs who had made successful exits of Red Swoosh and StumbleUpon, respectively. They invested their initial funds from earnings on these previous ventures, starting with $200,000 of their own money, and quickly raised another $1.25 million from friends and family in pre-seed funding. UberCab immediately received accelerator backing and training from TechStars in 2009. By the end of 2010, the firm had raised over $11 million in total, mostly from seed-round funding from angel investors and seed-level venture capital firms, such as First Round Capital and Founder Collective.

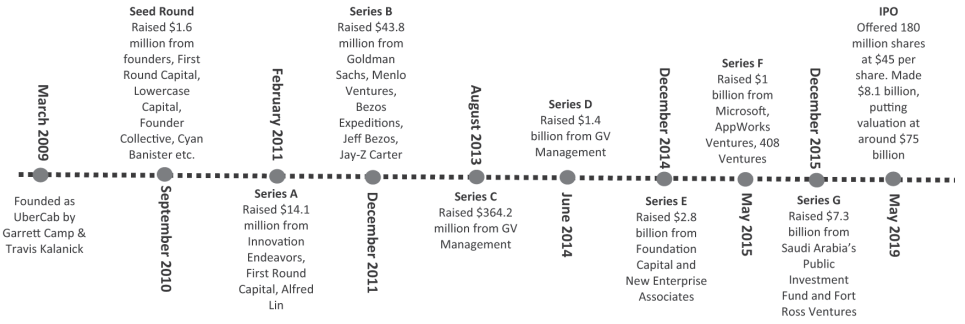

Figure 4.3 Uber funding history.

Starting in 2011, the firm changed their name to Uber and began raising larger sums of funding through series funding. Over the next seven years, Uber conducted 28 series rounds of funding where they raised more than $25.2 billion in total from over 105 investors. By series B funding, the company had already caught the attention of Goldman Sachs and Jeff Bezos. These investments helped Uber gain traction with other investors and venture capital firms. Each successive round generally raised more money than the previous one and increased the firm's valuation. Some firms, like GV Management, were keen enough to participate in multiple seed stage funding rounds.

The largest venture capital funding investment was $3.5 billion from Saudi Arabia's Public Investment Fund. Despite earning revenues of over $20 billion in 2016, the company posted an annual loss of $2.8 billion due to heavy investments in growth, mainly market expansion and research and development. On 9 May 2021, the company made their initial public offering with an offering of 180 million shares trading at a price of $45 per share, equalling a valuation of approximately $75 billion. At the IPO, Japan's Softbank made the single largest investment in the company of approximately $7.7 billion. The IPO also provided the funding for Uber to start its own incubator for new technology firms. When Travis Kalanick left the board and sold all of his shares in December 2019, his exit was worth approximately $2.5 billion. As of June 2021, Uber had a market capitalisation of over $90 billion with the largest shareholders being Softbank, Morgan Stanley, and Fidelity.

4.2 Airbnb

As shown in Figure 4.4, AirBedAndBreakfast was founded by Brian Chesky, Nathan Blecharczyk, and Joe Gebbia in 2008 with the concept of renting out airbeds on apartment floors. All three founders were only a few years out of university, holding short stints as designers or engineers when they decide to start their own company. Pre-seed funding of $30,000 was raised by selling merchandise at the 2008 Democratic National Convention. In 2009, this bootstrapping introduced them to Paul Graham who was impressed by their work ethic (though he disliked their idea) and invited their start-up to famous incubator Y Combinator for initial seed funding and training. As the idea was refined to rent out rooms and whole apartments, the name of the company was changed to Airbnb. Y Ventures, the venture capital arm of their same incubator, continually increased their investment.

Starting in 2010, the company began raising larger sums of funding through series funding. Airbnb's series A funding may have only raised only $7.2 million; however, their series B

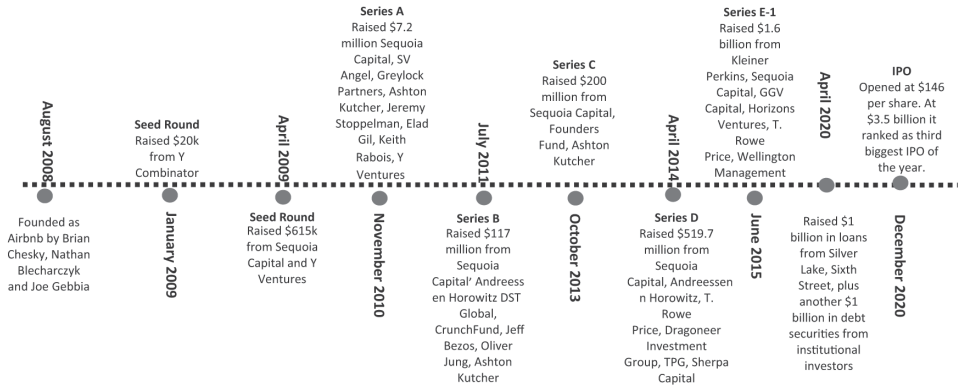

Figure 4.4 Airbnb funding history.

funding round a mere eight months later raised over $117 million. Famous investors, such as Jeff Bezos, Ashton Kutcher, Sequoia Capital, and Andreessen Horowitz, raised the credibility of the firm significantly. Investors were attracted by Airbnb's validated business model, high brand visibility, and seemingly limitless future growth potential. Several of their early investors participated in multiple series rounds as they realised they were backing a radical innovation that was to be a future unicorn. For example, Sequoia Capital participated in multiple funding rounds spending about $280 million for nearly 82 million shares that are worth near $12 billion as of December 2020. Each successive round generally raised more money than the previous one and increased the firm's valuation.

The firm's valuation grew so much, so fast that they were able to use equity to buy out other start-ups in adjacent markets, including Accoleo in Germany in 2011, CrashPadder from London in 2012, Luxury Retreats in the premium vacation market in 2016, and Accomable in the disability home rental market in 2017. In April 2020, Airbnb raised $1 billion in loans and another $1 billion in debt securities from institutional investors to finance future growth. The terms of the loan included a 12% rate of return for the institutional investors and first lien debt, meaning they would be the first to be paid if the company went bankrupt. In December 2020, Airbnb finally had an IPO to go public themselves where they sold 50 million shares when it opened at $68 each, valuing the company at $47 billion. As of June 2021, the stock had reached $150 per share, which made the firm's first and only CEO Brian Chesky now worth approximately $11 billion of a company that is valued at more than $94 billion. The largest shareholders are almost all institutional investors and mutual funds, including Capital Research and Management, T. Rowe Associates, Price Associates, American Funds Growth Fund, and the Vanguard Group. No entity currently owns more than a 3% share in the company.

4.3 TaskRabbit

As shown in Figure 4.5, RunMyErrand was founded in 2008 by Leah Busque as an errand-running service platform. Leah was a promising engineer at IBM but had no prior entrepreneurial experience. She failed to secure pre-seed funding and was living off of her partner's job and family savings as she continued to pitch her idea. In 2009, RunMyErrand was selected to partake in the inaugural cohort of Facebook's accelerator fbFund, in which the firm received $20,000 in funding and the famous entrepreneur and author Tim Ferris became an adviser to the firm. Busque attributes the firm's success to the training and connections she made at

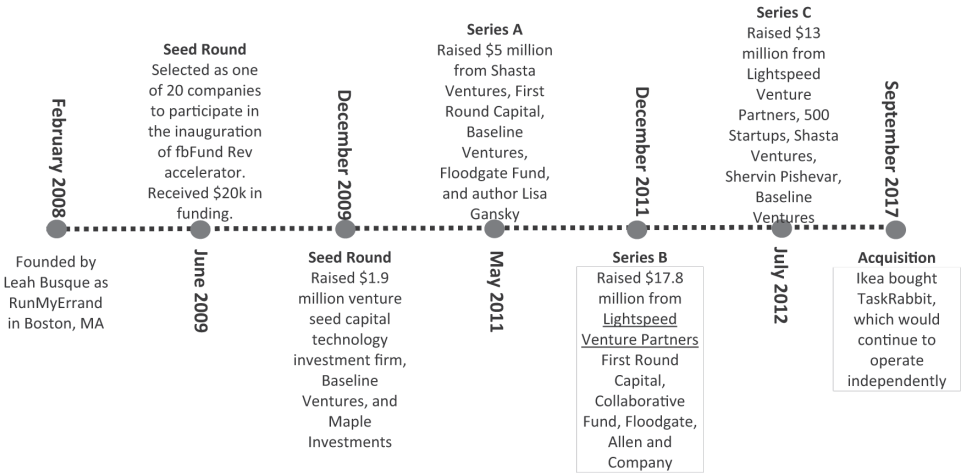

Figure 4.5 TaskRabbit funding history.

fbFund. Later that year, they raised $1.9 million in funding from seed-stage venture capital funders Baseline Ventures and Maple Investments. Busque relocated the firm to San Francisco and renamed it to TaskRabbit.

Starting in 2011, the firm began to raise greater sums of money through series funding rounds from Venture Capital. Series A funding raised $5 million, while Series B raised $18 million seven months later. Baseline Ventures, First Round Capital, and Floodgate Fund became multiple round investors. Tim Ferris' 500 Start-ups and super angel Shervin Pishevar helped raise the visibility and credibility of the firm. Between 2008 to 2017, TaskRabbit raised a total of $37.7 million from venture capital.

In 2016, Leah Busque stepped down as CEO to pursue other opportunities, including becoming an angel investor to promote other women in technology. Stacy Brown-Philot, a former Google executive who was hired the previous year, was promoted to CEO. As a plurality of the Taskers on their platform were being hired by individuals to assemble IKEA furniture, IKEA decided to make their first corporate acquisition in their history when they bought out TaskRabbit in 2017 for an undisclosed sum of money. Leah Busque is estimated to have earned $25 million for her share of the company. TaskRabbit is an independent subsidiary of IKEA today.

5. Discussion

By looking at these three success stories, the exclusivity of the contemporary value creation model is illuminated. Though the names of the companies and founders changed, and though each faced their own ups and downs on the road to successfully commercialising radical innovation, the model of pre-seed, seed, series, institutional, and exit funders stayed the same. At each phase, entrepreneurs were able to acquire the funding, resources, and managerial talent by tapping into a pre-existing social club of investors and innovators in Silicon Valley. Though most start-ups fold and many that do survive fail to turn a profit, the case studies of the platform economy that this chapter explores – becoming eponyms of their industry – were able to make massive profits for their founders and investors because

they commercialised radical innovation that reached a global scale, exporting more than the platform economy but the gig economy as well. Consistently, the stories of workers are absent in corporate autobiographies.

Table 4.2 shows some of the most prominent investors and shareholders in Uber, Airbnb, and TaskRabbit. The founders came from a variety of careers to launch their own companies; there is no one route to success but coming from money and/or education certainly helps. Travis Kalanick of Uber was already an established entrepreneur, and Leah Busque left a lucrative engineering career at IBM, while Brian Chesky was an industrial designer at 3did. Some of the early angel investors are famous individuals like actor Ashton Kutcher or super angel investor Shervin Pishevar. Both individuals invested in the early days of these gig economy firms, helping raise the visibility of the fledging start-ups. The largest individual shareholder of Uber is current Uber CEO Dara Khosrowshahi, the former CEO of Expedia prior to being hired by Uber. He purchased $6.7 million in stock in 2019 after the IPO. As most of his shares he accumulated were as a part of his compensation package, he might not be considered the typical entrepreneurial financier. He does, however, highlight the inequities of the system as corporate boards are more than willing to give extravagant compensation packages to those who build their wealth.

All three firms thank accelerators to their success, crediting the knowledge, networking, and visibility of these programs for turning their start-ups into successful companies. Airbnb was accepted into a cohort at one the most famous and most successful accelerators, Y Combinator; Uber was trained at the technology and innovation accelerator TechStars; and TaskRabbit credits its success to an incubator program that was hosted by the social network company Facebook. All of these were selective programs, lasting approximately three months, where accelerators took small equity stakes in exchange for funding and training, perpetuating their ownership of capital going forward.

All three of the firms used multiple funding rounds to finance to scale up and enter new market. Also, as expected in the technology sector, venture capital ended up being the primary source of capital for all three companies. TaskRabbit did six rounds of funding, Uber had 12 rounds of funding, while Airbnb had 24 separate funding rounds. TaskRabbit was funded mostly by venture capital firms that focus on the technology sector, including Shasta Ventures and Founders Fund. Airbnb received a large investment from one of the largest and most prestigious venture capital firms, Sequoia Capital, which helped fund other now famous companies, including Apple, PayPal, and Google. Interestingly, Uber received most of its funding from GV Management, originally named Google Ventures, which is the corporate venture capital arm of Alphabet Inc. This shows how Sequoia Capital was indirectly responsible for funding Uber because of the finance ecosystem it helped create from early technology success stories. These venture capital funds put their resources and industry connections at the disposal of these new platform economy firms which helped them succeed and helped launch corporate venture capital funds of their own.

Investors in all three firms eventually made their exits, cashing in on their early investments. Uber and Airbnb went public with IPOs, while TaskRabbit was purchased by a larger company. Institutional investors got involved after the companies had matured. The goal is to beat out the index funds through investments that are a notch above on the risk-return continuum than those found on the S&P 500. Sequoia Capital turned an early $260 million investment in Airbnb into $4.8 billion. Softbank turned a late investment of $7.7 billion in Uber into approximately $10 billion as of June 2021. Founders Fund turned an early $37.5 million investment in TaskRabbit into an undisclosed amount when IKEA purchased the company, but they reportedly made out very well.

Table 4.2 Investor Profile Chart

Investor	*Classification*	*About*	*Company*	*Investment*	*Return (est.)*
Travis Kalanick	Individual – founder	Co-founder and former CEO of Uber. Formerly co-founder and CEO of Red Swoosh. Currently CEO of City Storage Systems and venture capitalist at 10100.	Uber	$200K	$2.5 billion
Brian Chesky	Individual – founder	Co-founder and current CEO of Airbnb. Previously an industrial designer for 3did.	Airbnb	$30K	$14 billion
Leah Busque	Individual – founder	Founder and former CEO of TaskRabbit. Previously an engineer at IBM. Currently works as an angel investor.	TaskRabbit	$0	$25 million
Ashton Kutcher	Individual – angel investor	Former model and actor who began as a wealthy angel investor and went on to co-found two venture capital funds: A-Grade Investments and Sound Ventures.	Uber and Airbnb	$30 million	$250 million
Shervin Pishevar	Individual – angel investor	Entrepreneur, venture capitalist, super angel investor, and philanthropist. Co-founder and managing director of Sherpa Capital.	Uber, Airbnb, and TaskRabbit	Undisclosed	Undisclosed
Dara Khosrowshahi	Individual – executive	Businessman and chief executive officer of Uber. Previous CEO of Expedia Group.	Uber	$6.7 million	$50 + million
Techstars Ventures	Start-up accelerator	Founded in 2006 and, as of 2019, funded 1,600 companies with a combined market capitalisation of $18.2 billion.	Uber	$50K	$250 million

Investor	*Classification*	*About*	*Company*	*Investment*	*Return (est.)*
Y Combinator	Start-up accelerator	Launched in 2005 and used to launch over 2,000 companies. Twice a year they invest $125K in a large number of start-ups and provide a three month start-up training program.	Airbnb	$20K	Information publicly unavailable
fbFund	Incubator	Facebook's incubator run jointly with venture capital firms Accel Partners and Founders Fund between 2007 to 2009.	TaskRabbit	$25K	Undisclosed
Sequoia Capital	Venture capital	Focused on the technology industry specialising in incubation, seed stage, early stage, and growth stage of private companies. Controls $1.4 trillion of combined stock market value.	Airbnb	$260 million	$4.8 billion
Founders Fund	Venture capital	Invests across numerous stages and sectors, such as aerospace, health, artificial intelligence, computer, and energy. An aggregate capital under management worth more than $6 billion.	TaskRabbit	$13 million	Undisclosed
Shasta Ventures	Venture capital	Early-stage investment capital firm investing in enterprise and technology.	TaskRabbit	$5 million	Undisclosed
GV Management	Corporate Venture capital	Founded as Google Ventures. The venture capital arm of Alphabet Inc. Famous for linking start-ups to Google services, resources, and engineers.	Uber	$1.7 billion	$20 billion

(*Continued*)

Table 4.2 Investor Profile Chart (Continued)

Investor	*Classification*	*About*	*Company*	*Investment*	*Return (est.)*
Softbank Group	Multinational conglomerate	Owns stakes in technology, financial, and energy companies. Runs the world's largest technology focused venture capital fund with over $100 billion in capital.	Uber	$7.7 billion	n/a
IKEA	Multinational conglomerate	Designs and sells ready-to-assemble furniture. Company worth over $60 billion. Rarely involved in purchasing other companies.	TaskRabbit	Undisclosed	n/a
Public Investment Fund of Saudi Arabia	Sovereign wealth fund	One of the largest sovereign wealth funds with assets estimated at $347 billion. Invests on behalf of the government of Saudi Arabia.	Uber	$3.5 billion	n/a
Capital Research and Management	Institutional investor	One of the world's largest and oldest financial service companies with over $2 trillion in assets under its management.	Airbnb	$900 million	n/a

6. Conclusion

This chapter reviews the basic types and timelines of players of the entrepreneurial finance ecosystem that funded the platform economy and how they perpetuate contemporary income inequalities. It then illustrates the concepts by diving into case studies of Uber, Airbnb, and TaskRabbit. Out of the thousands of firms that are founded every year, most fail. Even the start-ups that make it through the major hurdles, most still fail or at least fail to turn a profit. Those that continue to grow, first becoming gazelles and then into unicorns, can turn such huge dividends for their early investors that it covers the losses of all those that did not make it, giving an exclusive club of capitalists control over the next generation of capital.

Another way to put this: If Table 4.2 seems like a merry-go-round of familiar names of the major players and investors, that's because it is. Even though the total finance capital for the platform economy may be distributed among many investors, some of the largest venture capital and investment funds are involved in many different start-ups throughout the technology start-up sector. All of the founders to angel investors to venture capital to institutional investors are well-known to each other as a part of a relatively exclusive social club within Silicon Valley, sharing knowledge, contacts, and resources to perpetuate their wealth. Because the whole platform innovation and investment economy is perpetuated within a concentrated geographic and social space, many of the capitalists involved hit multiple jackpots in Uber,

Airbnb, TaskRabbit, and others. This is to be expected with a diversified entrepreneurial finance portfolio.

With enough money and time (and perhaps a little fame), outsiders can join the gold rush. Softbank and the Public Investment Fund of Saudi Arabia did. However, for those of us not sitting on billions of dollars, prospects do not look good. The best a working-class person can hope for is to put enough sweat equity into building a start-up, rely on entrepreneurial finance to grow, and hopefully have enough shares left – and last long enough – to make a financially successful exit, accruing enough profit to become a financier themselves. For the most folks, though, it is not practical. This chapter details the precise investment mechanisms of how and why the wealth, power, and means of production for the future economy will continued to be concentrated in a few hands by highlighting how platform economy companies grow.

Reading through primary accounts and secondary sources of how these platform economies grew, the narratives focused on the founders, their financers, and the decisions of key stakeholders at critical junctures. The stories of the workers on these platforms were largely absent, and intentionally so. Though contingent work existed long before the invention of digital platforms, the platform economy firms revolutionised and replicated the gig economy, transforming (i.e. neoliberalising) industrial relations globally as a result. Uber is reliant on its drivers, Airbnb is reliant on property managers/cleaners, and TaskRabbit is reliant on labourers. These firms have all become major employers in their respective market segments, doing their best to attract and retain workers in aggregate. Workers join and quit constantly, and the algorithms do not notice. Workers have birthdays and familial obligations to attend to, and the algorithms do not ice. Workers become injured or die in the line of work, and the algorithms do not notice. The sad part is that the corporate histories of these companies seem to care as much for their workers as their algorithms do.

The work these platforms have created has been systematically broken down into replaceable parts and replicable steps, bringing Fordist-style mass production to the service sector to be completed in gigs to be completed in minutes, hours, or days. The automated platform may pay a quick buck to the worker on the other side of the smartphone, but at what cost? A fortune for an exclusive class of capitalists in Silicon Valley and the humanity of their global gig workforce.

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5

THE ALGORITHMIC SURVEILLANCE OF GIG WORKERS

Mechanisms and consequences

Gemma Newlands

1. Introduction

When we refer to gig economy workers as operating 'on-demand', what exactly do we imply by that statement? What are we revealing about the nature of gig work that we consider it to be on-demand and not by-request? The term 'on-demand' has become commonplace in late modernity, bolstered by an increased comfort with video-on-demand, music-on-demand, or even software-on-demand. In a manner most of our ancestors could only dream about (and no doubt even some ancient kings would envy), we are able to mobilise an army of human labour to fulfil our almost every desire. We demand and we receive. And given the rapid growth of gig economy platforms, we evidently continue to demand, and demand, and demand. Among highly digitised societies we have become accustomed to rapid fulfilment of our desires, able to find a ride in the middle of the night in an unknown location or to have hot food delivered right to our doorstep whatever the weather. However, ensuring the guaranteed convenience of the on-demand gig economy relies on an extensive array of socio-technical mechanisms to ensure that the worker is precisely where they need to be, precisely when a customer needs it.

Usually operating within dense urban environments, on-demand gig economy platforms provide delivery or ride-hailing services highly embedded in space and spatial politics. In order to track workers in real time, gig economy platforms utilise an advanced form of computational surveillance termed algorithmic surveillance whereby algorithms are used to track workers' locations, generate data about worker behaviour and assign labour activities (Howcroft & Bergvall-Kåreborn, 2019; Möhlmann & Zalmanson, 2017; Newlands, 2021; Schildt, 2017). Algorithmic surveillance can thus be understood as a combination of surveillance, algorithmic governance, and workplace analytics (Otto, 2018), enabling gig economy organisations to leverage managerial oversight with minimal human supervision. This assignment of typical managerial prerogatives to algorithmic decision-making processes occurs so extensively in gig work that, to date, the use of algorithms to manage workers has been considered a distinctive feature of the on-demand gig economy (Ajunwa et al., 2017; Jarrahi et al., 2021a; Just & Latzer, 2017; Veen et al., 2019; Woodcock, 2020). However, it is important to stress that algorithmic surveillance is levied as only one factor in a multimodal surveillance assemblage, which combines managerial, customer, and algorithmic surveillance.

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As a dominant organising practice, algorithmic surveillance can be conceived of as an assemblage of computational processes, through which data is collected, analysed, and applied through primarily automated means (Newlands, 2021). We can view this algorithmic surveillance as both a phenomenon and a sensitising concept which alerts us to an emerging social practice. In the academic field, the topic of algorithmic surveillance has emerged gradually as research has explored how workers are tracked and managed in real time. For instance, empirical research has explored how gig workers are tracked through continuous monitoring across ride-hailing (Jamil, 2020; Shalini & Bathini, 2021), food delivery (Gregory, 2021; Sun, 2019; Veen et al., 2019), and general couriering (Shapiro, 2018). Given the spatio-temporal nature of algorithmic surveillance, the topic has also been addressed within a discourse on platform urbanism that acknowledges how surveillance of on-the-ground workers is deeply embedded in the built urban environments where gig work often takes place (Gregory and Maldonado, 2020; van der Graaf & Ballon, 2019).

The close moment-by-moment tracking which occurs on gig economy platforms, however, has not developed from a vacuum. Rather, algorithmic surveillance is a new stage in the intensification of workplace surveillance which has historically been levied through both interpersonal and technological means (Ball, 2010). Also referred to as workplace monitoring, workplace surveillance has become normalised across organisations and reflects an extensification and intensification of surveillance throughout modern societies (Ebert et al., 2021; Kellogg et al., 2020). Workplace surveillance is vital for effective coordination and can be justified on the basis that it is necessary to maintain safety and productivity (Aloisi & De Stefano, 2021; Stark et al., 2020). Especially in logistics-based forms of work, knowledge of where workers are and what they are doing is essential.

Traditionally, workplace surveillance has also been imposed in order to ensure that workers act in accordance with managerial directives and contractual expectations (Fleming & Spicer, 2008). This can be a form of preventative action against disruptive behaviours, shirking, or illegal work behaviours (Bhave et al., 2020). However, workplace surveillance is thus often viewed as a mechanism of power and domination, coercing workers in a subordinated position to act in the interests of their employers. Accordingly, researchers have argued that workplace monitoring, particularly in its more intensive forms, can be detrimental to employee well-being (Stark et al., 2020). Crucially, workplace surveillance is not limited to only manual work or to workers earning lower wages. Rather, workplace surveillance can be increasingly observed across pay grades and across forms of work (Phan et al., 2017) to the extent that white-collar workers normally excluded from aggressive forms of workplace surveillance are now subject to greater levels of oversight (Katsabian, 2019).

While surveillance is often considered to be an immediate action, the act of watching and being watched, workplace surveillance often involves the collection and storage of data about the individual being observed (Manokha, 2020). For instance, workplace surveillance is often augmented with electronic mediation, such as CCTV, RFID tags, facial recognition software, or even microchips (Brocklehurst, 2001; Elliott & Long, 2016; Orlikowski, 1991; Rossiter, 2016; Sewell & Taskin, 2015; Stark et al., 2020). The use of digital technologies to assist in surveillance practices, according to Stark and colleagues (2020), 'not only increase[s] the channels through which surveillance can take place but also its extent and pervasiveness, enhancing the capacities of employers to oversee and shape everyday work practices' (p. 1076). With the expanded use of home-working during the COVID-19 pandemic, workplace surveillance has also entered more widely into the domestic sphere through the use of webcam monitoring and screen capture software (Aloisi & De Stefano, 2021; Newlands et al., 2020). This has resulted in what Faraj et al. (2021) refer to as a 'digital surveillance panopticism'.

Whereas, traditionally, the observation and the data collection were separate actions, with the extension of data-driven technologies these two actions can occur simultaneously and thus be acted upon much faster to provide dynamic managerial responses to workers' actions. It is this immediacy of surveillance and action, in addition to the use of artificial intelligence to react to the data being generated, which characterises algorithmic surveillance as a novel stage in workplace surveillance.

In the remainder of this chapter, I will address the mechanisms through which algorithmic surveillance takes place, as well as the consequences of algorithmic surveillance for workers and organisations. I will conclude the chapter with a discussion of how the topic of algorithmic surveillance may be explored in future research.

2. Mechanisms

As with other mobile work, the geographic dispersion of gig workers creates a challenge for the gig economy organisation in knowing exactly where workers are in relation to each other, to customers, and to other service locations such as restaurants (Bakewell et al., 2018; Bhave et al., 2020). Algorithmic surveillance in the gig economy is primarily reliant on real-time location and task tracking, the purpose of which is to generate a full picture of the workers' activities rendered into data which can be used by the algorithms. This form of algorithmic surveillance encountered in the gig economy is considered often 'panoptic' (Foucault, 1975), focusing on disembodied and ubiquitous collection of machine-readable data (Sadowski, 2019, 2020). Yet there is nothing accidental about algorithmic surveillance. While data collection is both continuous and extensive, it is a deliberate organisational choice as to which data points are being collected and then utilised by the algorithms.

In terms of real-time location tracking, gig economy workers' movements, location, and bodily performance can be captured through the technical affordances of a worker's smartphone (Veen et al., 2019). While a key aspect of the gig economy, this transition towards smartphone-based location tracking has been adopted also in traditional taxi driving, where taximeters are being replaced in favour of drivers' personal smartphones (Anderson, 2016). Yet far from being a unique mechanism of algorithmic surveillance, smartphones are increasingly being used for surveillance across multiple situations and there is, according to Lai and Flensburg (2020), an entire surveillance ecology of mobile applications.

Specifically, gig economy platforms are relying on a global navigation satellite system (GNSS) for real-time location tracking, thus leveraging the GPS-enabled receiver within the smartphone to situate them within a specific geographical area (Berreneche, 2012; Michael & Clarke, 2013). For delivery-based and ride-hailing gig work, this geolocation is essential to route workers to pick-up and drop-off points, sending often the closest available worker to where they need to go. Geolocation is also used to generate navigation directions, though platforms differ over whether workers are allowed to deviate from these routes (Veen et al., 2019). Gig economy companies can also leverage a smartphone's sensors to assess a worker's locational activities. Uber, for instance, uses the smartphone's telematics and geolocation technologies to extract both 'location intelligence' and 'sensor intelligence' from drivers' smartphones (Jamil, 2020). They can, for instance, determine driving behaviour and mobility patterns through motion sensors and accelerometers to assess whether drivers are driving well or to identify rapid breaking and acceleration. Uber is also able to assess whether drivers are using their smartphone to text or talk while driving.

Geolocation is also used to ensure sufficient geographical service coverage, encouraging workers to be active in specific zones or areas through geofencing (Heiland, 2021). Deliveroo,

for instance, requires riders to operate in specific zones (Veen et al., 2019). Uber Eats, however, uses surge pricing 'boosts' to encourage riders to go to high-demand areas. Uber's geofencing similarly encourages workers to move into certain zones, operating the pricing mechanisms accordingly (Jamil, 2020).

For activity tracking, workers often manually input data points into the smartphone, indicating drop-offs or collections. As Van Doorn and Badger (2020) explain in their research on food delivery workers, 'couriers are still expected to notify the platform via an app on their smartphone each time they (1) accept an order, (2) arrive at the restaurant, (3) pick up the food, (4) arrive at the customer's address, and (5) drop of the food and complete the order' (p. 1479). While not collected automatically, as with location tracking, activity tracking is still acted upon automatically. Part of this is to also create metrics of the workers, assessing the average travel time, time spent at customers and at restaurants, as well as the time it takes to accept orders.

While the smartphone acts as the key instrument within a gig worker's personal digital infrastructure (Jarrahi et al., 2021b), it is important to underline how gig economy organisations are primarily collecting proxy data about workers' activities from the location and movement of the smartphone, as opposed to direct surveillance of the worker's body or actions (Newlands, 2021; van Doorn & Badger, 2020). As such, this interchangeability of the device and the worker prioritises those elements of a worker's performance which can be tracked and traced through the smartphone, as opposed to elements of a worker's performance which cannot be rendered easily into data such as customer service. As part of this, we can understand that it is in fact the 'gaze' of the smartphone which is of primary importance. Workers must maintain continuous internet connection and maintain their algorithmic visibility as a top priority. For instance, if a worker loses connection to the internet or they have insufficient battery power, they must often end their shift and stop accepting work.

When considering the use of real-time location tracking, it is important to acknowledge that this data is necessarily contextualised on a digital mapping interface (Briziarelli, 2018). In most cases, gig economy companies leverage third-party mapping services, such as Google Maps. As Newlands (2021) explains, 'this data is then rendered visible, both to the organisation and to the worker, through its abstract visualisation on a digital cartographic interface; the worker's movement throughout the digital map taking on a one-to-one correspondence with the human worker's movement in physical space' (p. 722). Yet the use of digital cartography is not without problems as the gig economy organisations have to combine both the real-time activities of workers with the less-dynamic and often outdated digital maps – particularly of concern in areas of high urban redevelopment or underrepresentation (Graham et al., 2013). Moreover, situating workers within digital space for the purposes of task assignment, performance monitoring, or pricing estimation can overlook how the distinct urban geographies involved directly shape workers' experiences. For instance, busy streets, roadworks, uneven terrain, or weather variations are not necessarily taken into account to the same degree by the algorithms.

For gig economy companies, algorithms are thus used to calculate remuneration, assign tasks, and assess performance, drawing on the real-time data collected about workers. In this way, the gig economy companies operate largely automated processes and human intervention is limited (Rahwan, 2018). However, these algorithms are often opaque, dynamic, and highly localised. Each city, for instance, may use different weightings in the algorithms when determining pricing or performance. Moreover, while used for the surveillance of workers, the algorithms are yet protected from respective surveillance. They are kept invisible, as a form of organisational secret. Gregory (2021) refers to 'epistemic risks' as to the lack of transparency about how the performance statistics are analysed and how the algorithms run the app. But of

course, the algorithms themselves are constructed out of managerial decisions. They are assemblages of human decision-making and technical implementation (Jarrahi et al., 2021a; Pignot, 2021; Sun, 2019).

3. Consequences

Consequences of algorithmic surveillance for workers

Gig economy workers are actively aware of the surveillance of the algorithmic systems, which track their movements and activities in real time (Newlands, 2021). However, for most workers, this form of surveillance is generally accepted as necessary for the logistic functioning of the platform. Without a certain level of automated surveillance, the gig economy platforms would not be able to operate. It would be too cumbersome and expensive to manually assign tasks and track worker activity. Yet in accordance with the ongoing orientation of surveillance research towards how surveillance can have both positive and negative consequences, algorithmic surveillance does not come without consequences for the workers.

One important outcome is the high level of control which algorithmic surveillance can levy on workers due to the asymmetric power relationship between the worker being surveilled and the organisation doing the surveillance. Indeed, workplace surveillance is often used to enforce discipline through sanctions and rewards. Drivers are aware of how data collection on them can be punitive (Mosseri, 2020). Taking too long to complete orders or driving in the wrong direction can, for instance, be followed by direct disciplinary contact from worker support staff (Heiland, 2021; Veen et al., 2019; Waters & Woodcock, 2017). Power imbalances also emerge through the lack of transparency regarding the form and extent of data collection taking place (Felzmann et al., 2019). The use of algorithmic surveillance also creates intense time pressure on workers. Gig economy companies try to optimise their worker resources and shorten delivery or driving times (Sun, 2019). However, this focus on optimisation means that workers have to often speed up their delivery work to match automated expectations – a process which leads frequently to serious accidents and overwork.

There is also a tension between the local knowledge and automatically assigned routing. Uber drivers, for instance, have to generally abide by the app's assigned routing regardless of the situation on the ground or their own personal knowledge of the city (Jamil, 2020). Empirical research has shown how workers often make choices and develop extensive knowledge of the cities they operate in, using this knowledge to create better routes than the algorithms suggest (Gregory & Maldonado, 2020). Moreover, the algorithms are also able to make mistakes, generating false or inefficient delivery routes (Sun, 2019). As Gregory and Maldonado (2020) explain, food delivery riders often have to correct the Deliveroo's faulty directions by relying on their own subjective knowledge of the city. Indeed, workers often have to counteract decisions made automatically with different information. Mosseri (2020), for example, has researched Uber in New York, identifying how drivers have to engage in 'reputation auditing', whereby they must ensure that the surveillance record accurately reflects their experiences. They have to actively challenge decontextualised metrics, through the process of assertion is slower than the actions of the algorithm, a process that Mosseri (2020) explains could take weeks.

An important consideration is also that often the real-time location tracking is aligned with payment systems in a way which does not benefit the workers. Food delivery riders, for instance, are frequently annoyed at how the algorithms calculate the delivery distances and time, operating on linear distances rather than the complex routes they have to take (Sun, 2019). Digital cartography, for instance, does not take into account the true distance which must be travelled

to the customer, such as on upper floors of apartment buildings or in office blocks (Shapiro, 2018). In his research on Berlin-based Deliveroo riders, Van Doorn (2020) has explored how workers cope with the lack of information about how the company calculates distance-based fares. He describes how Deliveroo riders attempted to reverse engineer the pricing algorithms, identifying that Deliveroo is highly likely to be using only GPS coordinates of the rider to generate distance-based fees. The issue of distance-based pricing mechanisms in gig work has also been addressed by other researchers (Chen & Ping, 2020; Shapiro, 2018).

Privacy

As a provocation for future research, it is interesting that there is a limited discourse on the concept of privacy as it relates to gig work. The field of information privacy research is extensive (Smith et al., 2011) and goes beyond the scope of this chapter. However, it is important to underline how algorithmic surveillance intersects with workplace privacy since, as Lai and Flensburg (2020) explain, 'data practices of mobile apps are materially and infrastructurally rooted and that varying degrees of privacy are built into the architecture of the different apps'. As with all aspects of algorithmic surveillance, the protection of workers' privacy can be actively created by the organisation or otherwise bypassed. For instance, a central question remains of whether the data gathered on workers' activities is sold and resold to advertisers and other third parties in the broader data brokerage ecosystem.

While a growing body of research has looked at different worker privacy protections (Ebert et al., 2021), discussions have also started about how worker privacy has become illusory due to the extensiveness and intensiveness of modern workplace surveillance (Ajunwa et al., 2017; Manokha, 2020). Modern workplaces, such as the gig economy, are test beds for issues around privacy rights and how data around workers' and their behaviours can be used and reused by an organisation (Acquisti et al., 2015; Aloisi & De Stefano, 2021; Rogers, 2020). For instance, there is a key issue of worker safety and privacy when it comes to location-aware applications which can generate detailed pictures of how workers spend their time both at work and in private (Francis & Francis, 2017; Martin & Nissenbaum, 2020; McNall & Stanton, 2011). This is particularly concerning given the risk of data breaches which jeopardise both workers' own privacy and the organisation's reputation (Adams, 2017).

While privacy is frequently hailed as a critical concern for workers, whereby workers expect to be in certain amount of control over their personal information and data, often workers don't necessarily actively react to privacy incursions (Bhave et al., 2020). Instead, many workers follow a path of privacy pragmatism or privacy cynicism (Lutz & Newlands, 2021). This is partly because, as Saifer and Dacin (2021) explain, 'data and datafication are experienced within organisational life in a multiplicity of ways that often have very little to do with numbers and statistics'. For most gig workers, prioritisation on immediate earnings can counterbalance a concern with issues of privacy and data protection. However, there is currently limited discourse around the need to limit the data collection or impose parameters about the long-term storage and reuse of such data.

Consequences of algorithmic surveillance for organisations

While there are consequences for workers, there are also potentially negative consequences for gig economy companies. One consequence is that the platform organisations don't get the full picture of workers' activities. A high reliance on the 'accuracy' of the surveillance mechanisms can create issues whereby without additive surveillance by customers, human managerial staff,

or even other workers, the gig economy companies can become too removed and too distant from issues which arise (Newlands, 2021). This relegation of surveillance and management tasks to algorithms also renders gig economy companies highly reliant on the reliability of the captured data, as well as being highly reliant on a close correspondence between the data captured and the material reality of the work (Bailey et al., 2011; Rolland & Monteiro, 2002). This can result in organisational blindness to the parameters of the actual work performed (Danaher, 2016; Evans & Kitchin, 2018).

There is also an issue of spatial correspondence, insofar as gig economy companies have a high demand for mapping and location-tracking accuracy (Briziarelli, 2018; Newlands, 2021). However, the tracking technologies have technical limitations. GPS, for instance, has varied reliability depending on local circumstances and the availability of high-functioning radio frequency signals transmitted between satellites and receivers (Lam et al., 2016; Michael & Clarke, 2013). Algorithmic surveillance also cannot take into account specific terrain faced by riders. Briziarelli (2018), for instance, notes how digital maps cannot 'reproduce all the contingencies of the concrete lived space of the city, made of for instance of road cracks, weather, pedestrians, car commuters, and unforeseen detours' (Briziarelli, 2018, p. 13). Because algorithmic surveillance is levied remotely, and through the heuristic of the smartphone, workers can also subvert the system through the informal transfer of orders between workers (Sun, 2019). In extreme cases, some workers can manipulate the geospatial data of the platforms though location-masking tools (Heiland, 2021; Newlands, 2021; Veen et al., 2019). Uber's system, for instance, identifies so-called spoof sensors that create mock GPS locations (Jamil, 2020). However, any resistance to algorithmic surveillance relies on an informed and engaged workforce. One of the key trends has been a limited reaction as to the surveillance. Rather, it is the 'algorithmic' which is cause for concern. In fact, many workers have appreciated the element of surveillance as a mechanism to hold other stakeholders accountable.

In terms of organisational consequences, it is also important to highlight the long-term vision of gig economy companies in terms of how they intend to use the data generated through algorithmic surveillance for additional purposes. As with other organisations, gig economy organisations are highly interested in collecting as much data as possible on their workforce and operations in order to extend their services and improve managerial oversight (Koops & Leenes, 2014). This is what is referred to as function creep, where data is used for purposes other than what was initially intended or communicated (Christl, 2017; Ebert et al., 2021). As van Doorn and Badger (2020) explain, 'the monetary value produced by the service provided is augmented by the use and speculative value of the data produced before, during, and after service provision' (p. 1475). One element where we can observe function creep is for the purpose of worker replacements, such as through robo-couriers or self-driving cars. As it stands, few gig economy companies have been successful in rolling out these forms of automated replacements other than in trial runs. Nevertheless, the value of personal information kept on the workers, extracted as part of the algorithmic surveillance infrastructure, has unknown value and can continue to be used for such experiments in the future (Newlands et al., 2019).

4. Future directions

Continuing to explore the epistemic consequences of algorithmic surveillance in the gig economy is crucial. As the gig economy continues to expand, it is important that researchers provide empirical insights into what data are being collected, when, and for what purposes. This is part of an ongoing research interest into data (in)justices that occur when data are treated as 'bits of power' (Dalton et al., 2016; Dencick et al., 2019; Mansell, 2017).

Currently, due to the high levels of organisational secrecy involved, as researchers we are dependent upon platforms opening up, such as Uber Engineering, or through workers counter-engineering the algorithmic processes. But beyond the technical, there are also many questions as to how workers are experiencing and operating within such a surveilled state. At the organisational level, there are questions as to how these processes will expand also outside the gig economy into other forms of work (Jarrahi et al., 2021a).

Also, it is important on a societal level to question the normalisation of such intensive surveillance at work. Customers, for instance, are beneficiaries of the algorithmic surveillance in that they are able to observe the movement and activity of their 'workers'. However, to what extent do we want to normalise the surveillance of workers by customers? We must also not overlook how much of this surveillance operates frequently on migrant bodies, on disadvantaged groups in society that are already marginalised and over-surveilled (Stark et al., 2020; van Doorn et al., 2020). Groups that otherwise do not have the means or the power to counteract the 'gaze'. As a rationalistic mechanism, there is also the question: To what extent can gig workers achieve recognition for their activity, as opposed to mere visibility of their actions?

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6

THE CHALLENGES OF TOTAL TALENT MANAGEMENT IN THE GIG ECONOMY

François Pichault and Frédéric Naedenoen

1. Introduction

Modern organisations resort to alternative work arrangements (e.g. temporary work, contract work, on-call work, and independent contracts, according to Katz and Krueger, 2019) in order to face unpredictable skills demands, to attract scarce skills, and/or to reduce their personnel costs (Bidwell and Keller, 2014; Mc Keown and Cochrane, 2017). An increasing proportion of this contingent workforce is made of project-based or task-based workers, often well-qualified and belonging to unregulated professions (IT workers, managers, trainers, consultants, interpreters, creative workers, etc.). Such workers, mostly under self-employed status, are labelled under different names: freelancers, autonomous workers, solo entrepreneurs, independent professionals (or ipros), and so on. All available statistics show that this population is growing very fast (Semanza and Pichault, 2019; Poon, 2019). Such a quick growth may be viewed as one of the visible sides of the gig economy: this is why, following Caza et al. (2021), we suggest considering them as gig workers in a broad sense, with three basic components enabled by digital tools: (1) task-/project-based assignments, (2) term-limited contracts, and (3) position outside organisational structures. While often active in the premises of the client organisation, in direct relationships with regular workers, this well-qualified segment of the external workforce is presented as enjoying a greater autonomy at work, in which supervision over the work process becomes evanescent while control on expected outcomes turns out to be more and more important (Cappelli and Keller, 2013). This could explain why external talents are often considered as enjoying the benefits of gig work rather than suffering its traditional drawbacks. We, however, cannot ignore that gig workers – even well-qualified – may be exposed to a series of risks of economic dependence, job insecurity, discontinuity of income, restricted access to social security, exclusion from collective bargaining, exclusion from training initiatives, and/or skills development, as reminded by various researchers (de Peuter, 2011; Hirsch, 2016; Kalleberg, 2009; Keller and Seifert, 2013; Semanza and Pichault, 2019).

How is this growing component of the workforce managed? Should they be considered out of the sphere of intervention of HR managers, given their limited term and purely contractual relation with the organisation? Conversely, do they have to be fully included in the various actions linked to talent management, given their impact on organisational outcomes, leading to the management of an increasingly complex ecosystem as suggested by Meijerink and Keegan (2019)? While the idea of a blended workforce management has been placed on the managerial agenda (McKeown and Cochrane, 2017), it is still largely under-researched by academics. The

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HR literature on external workers remains scattered and is often limited to more traditional forms of contingent work, such as temporary agency work (Connelly and Gallagher, 2004). Following the theoretical perspectives proposed by Cascio and Boudreau (2017), here, we focus on the HR management (HRM) challenges linked to the talent management of gig workers, given that such external talents become an increasingly critical asset for modern organisations. Our paper is an attempt to provide more empirical substance to the concept of *total talent management* – considered as the inclusion of the full range of talent sources, either internal or external – by providing some data from a recent survey conducted in Belgium and by reviewing the empirical evidence available in the academic literature in order to better document the potential benefits such an inclusive perspective may offer not only to modern organisations but also to the workers themselves. On this basis, we propose a series of research proposals that must be considered as building blocks likely to establish the concept of total talent management on more stable theoretical foundations.

In a first section, we show that the management of external workers may be shaped by a large range of factors, ranging from structural to agentic arguments, and should not be considered through simplistic HRM typologies. In a second section, we explore the main HRM challenges linked to the management of gig workers, by highlighting the opposition between transactional and relational approaches. After a brief methodological section, we present in a fourth section the main results of an original survey among Belgian employers, highlighting the growing role played by external talents in modern organisations and some key tendencies in the way they are currently managed. In a fifth and last section, we expose the main findings resulting from our literature review, leading to three research proposals on the renewed role of HR managers in an extended playground and the opportunities it may offer to gig workers.

2. External workers and the HR architecture

Gig work and digitalisation

Many studies have pleaded for taking account of the variety of the workforce employed by organisations (Camuffo and De Stefano, 2016; McKeown and Cochrane, 2017). The seminal typology of HRM configurations developed by Lepak and Snell (1999) offers an interesting starting point. It considers the strategic value of human capital (contribution to the competitive advantage or the core competence of the firm) and its uniqueness (idiosyncratic resources, difficult to find on the labour market). By crossing these two dimensions, four situations are distinguished, among which two concern workforce externalisation. In both cases, the strategic value of human capital is considered as low but the uniqueness may be either low or high. If low, simple contracting through transactional employment relationships is sufficient. If high, more collaborative relationships have to be built. The so-called HR architecture may thus help understand the current development of talent management strategies. It provides insight on why external talents become a growing reality in modern organisations: the gig economy blows up the burden of domestic job markets (Costa, 2016), which in turn reduces the human capital uniqueness. By offering new tools to coordinate remotely and often intensively controlling external workers, it is also blurring the traditional distinction between employee and self-employed status. Through these two dimensions, digitalisation increases the easiness of using external workers for many modern organisations.

Three main dimensions of autonomy

Nevertheless, such a structural framework oversimplifies the concrete relations that may be observed between gig workers and client organisations. A more agentic view on human capital

emphasises that external talents are not only stocks of resources, submitted to the strategic appreciation of clients: they are also human beings, experiencing different work situations and developing a full range of behaviours accordingly (McKeown and Pichault, 2021). Given their higher autonomy at work (Cappelli and Keller, 2013), they may be in position to impose their own views to the client organisation, whatever the talent management strategy developed.

There are at least three dimensions through which this question of autonomy can be explored. We will see later that these three dimensions provide a relevant framework for exploring the possible managerial answers within a total talent management strategy. The most covered dimension is probably the *work content*: many empirical studies in the gig economy scrutinise the kind of assignments, the work pace and rhythm, the work division and the modalities of control on external workers, and so on (see, for instance, Duggan et al., 2020). The *working conditions* are also very often examined: matching processes, training opportunities, compensation and benefits regimes, time and space arrangements, and so on (see, for instance, Meijerink and Keegan, 2019). The *work status* is a much less studied area in management and social sciences theories, but it is key to consider it when referring to employment rights, access to social protection, collective action, and so on. Pichault and McKeown (2019) have proposed a conceptual framework combining these three dimensions in the gig economy. Although co-occurrences may occur, they often vary independently from each other and pave the way to a comprehensive picture on individual situations regarding autonomy at work. It also provides a relevant analytical framework to capture the diversity of situations covered by the generic term 'contingent worker'. Higher autonomy in work status (as self-employed) does not necessarily mean autonomy in work content (self-determination). Moreover, if autonomy in work content may be presented as a desirable target for talents, autonomy in working conditions (training or compensation and benefits) can lead to some forms of precariousness when not supported adequately. HR architects must therefore consider the variety of individual situations regarding autonomy at work when resorting to external talents.

3. The management of gig workers: low-road versus high-road strategies

The use of external workers allows organisations to access, in a very flexible way, specific talents in a variety of areas such as IT, HR, finance, general management, project management, and so on (Cascio and Boudreau, 2017, McKeown and Cochrane, 2017). However, the management of such a blended workforce, combining external workers and permanent employees, is seen as a key challenge for modern organisations (Dong and Ibrahim, 2017).

The combination of structural and agentic perspectives on the growing use of gig workers presented previously may explain that the managerial practices developed vis-à-vis this workforce result from a compromise between organisational needs and individual expectations or strategies. Depending on the managerial choices and the more or less favourable position of gig workers on the labour market, two managerial approaches can be observed.

Low-road strategy

The first one may be considered as the transactional option. In this perspective, the use of contract work is only a question of business optimisation, via cost reduction and/or flexible responses to market variations. Client organisations do not invest in such limited-term relationships with workers who are supposed to pursue purely transactional contracts. Work arrangements are mainly focused on achieving outcomes and compliance with the terms and conditions of the

contract and do not consider the development of human capital. External workers are entirely responsible for maintaining their skills and taking care of their professional future, which Fleming calls the worker's 'radical responsibilization' (Fleming, 2017). Such a 'low road strategy' (Osterman, 2018) is very often observed in mass-market industries and in platform work submitted to algorithmic management (Prassl, 2018). In this perspective, HR managers do not consider external workers – even if they are qualified – as part of the firm's workforce: they prefer to focus their talent management initiatives on 'core' employees.

More and more companies however consider external workers constitute a potentially talented pool. As reminded by Burke and Cowling (2015), the contribution of external skilled workers to organisations may be viewed as crucial at different stages of any innovation process. They can infuse new ideas and entrepreneurship behaviours among regular employees, diminish entrepreneurial and financial risks for innovation, offer line and project managers solutions to escape from hiring freeze, enable business to achieve an optimal performance across peaks and troughs without distracting regular employees from their core business, and so on. It must be added that the use of an external skilled workforce may increase the threat of transferring idiosyncratic knowledge and expertise to competitors, even when considering non-core jobs. Furthermore, several studies have established that a lack of consideration for external workers has a negative impact on the perception regular workers have of their employer, leading to decrease their commitment and enhance their willingness to leave the company (Banerjee et al., 2012; Connelly and Gallagher, 2006; Davis-Blake et al., 2003; George and Chattopadhyay, 2015; McKeown and Cochrane, 2017; Pedulla, 2013; Von Hippel and Kokokimminon, 2012).

High-road strategy

A second approach may therefore be adopted by client organisations, which can be viewed as relational: more emphasis is put on skills development, individual commitment, self-determination, recognition and rewards, intensive communication and participation schemes of these external workers (Bush and Balven, 2018; Jabagi et al., 2019). A survey among 375 independent professionals working in Australian organisations (McKeown and Cochrane, 2017) showed that organisational support – either offered by client organisations or labour market intermediaries – significantly predicts their affective commitment, which reinforces their potential contribution to organisational performances. Younger and Smallwood (2016) point out that companies that consider external workers with the same attention as permanent workers get the highest commitment from this flexible workforce.

The benefits of the 'high road strategy' (Osterman, 2018) can go beyond the contractual relationship because the worker concerned can subsequently maintain a residual emotional commitment and support the image of his/her former client, or even encourage new collaborations between former and new sponsors (Charaudia and Galante, 2015), not to mention the possibility that the relationship with the external worker will happen again in the future, which means that the investment will be valued in a new collaboration. More generally, companies embarking on the development of inclusive work organisation and HRM policies are betting on the possibility of improving their performance by transferring valuable knowledge from external to regular workers (George and Chattopadhyay, 2015).

This second approach is probably much less frequent, partly due to the inherent legal risk of reclassification which may vary according to local jurisdictions. Another often mentioned argument is a matter of equity between internal and external workers: if internal workers feel they are treated less well (for example with lower pay) than external workers, they may develop a sense of injustice (Connelly and Gallagher, 2006). In these conditions, paying an extra cost for

additional HR services offered to external workers can be considered as unfair vis-à-vis regular employees. Switching to the high-road strategy is, however, an emerging trend followed by pioneering companies in which HR managers have become convinced that the enlargement of their traditional playground can have a positive impact on organisational performance.

4. Methodology

A survey of total talent management practices in Belgium

In a first step, we conducted an original online survey in August 2019 among 239 Belgian companies selected in the database of one of the major Belgian operators in the field of outsourced personnel administration, a very common service provider in Belgium.

It must be reminded that Belgium belongs to the so-called coordinated market economies (Hall and Soskice, 2001), with a sophisticated social regulation and a very high unionisation rate (more than 55%). The local regulatory framework is based on a binary distinction between employees (with a full range of social rights) and self-employed (with a smaller range). Freelancers, ipros, and other categories of contingent workers belong to the self-employed status, except when engaged by temporary work agencies, legally recognised since three decades, or by project sourcing companies, a more recent practice. In the latter cases, they fall under the employee status.

The survey looked at management practices related to external workers, by distinguishing freelancers, temporary workers, and project sourcing employees. Beyond usual data on the individual and organisational characteristics of respondents, the questionnaire aimed at characterising the management of this workforce via four indicators.

- The degree of infrastructure sharing refers to the extent to which organisations allow external workers to access the company's premises and resources (library, IT department, cafeteria, etc.). As pointed out by Eurofound, the presence on the client company's premises is one of the major characteristics of new forms of employment (Eurofound, 2020). This access may be conditioned to specific devices: badges, temporary authorisations, staggered hours, and so on.
- The degree of centralisation relates to the distribution of roles in the management of these external workers. The HR department can be in charge of these workers (what we will consider as centralisation), but managerial initiatives vis-à-vis external workers can also emanate from other actors (what we will consider as decentralisation): purchasing or procurement departments (Bögenhold and Klinglmair, 2016; Leighton, 2014; McNeilly, 2013), line managers or project managers (Keegan et al., 2012; McCracken et al., 2017). The tendency to offload a part of the HRM activities to other actors leads to positive impacts – quicker decisions and better adaptation to operational constraints, increased managerial accountability, and so on – but also to drawbacks – lack of training of managers, inconsistencies, diminished attention due to the induced work overload, and so on (Kirkpatrick et al., 1992; McGovern et al., 1997; Perry and Kulik, 2008, Voelz, 2010).
- The degree of formalisation characterises the use of explicit tools, methods, or techniques (Pichault and Nizet, 2013), which aim at directing and partially constraining the behaviour of organisational members (Jackson et al., 2014). For external workers, such formalisation makes it possible to clarify the rules of the game and client's expectations concerning the job to be done. Auer et al. (2014) show that when external talents operate in uncertain work environments, they are likely to develop negative feelings: isolation, too much

Table 6.1 Key Questions Used to Build the Four Main Indicators

Infrastructure sharing	*Centralization*	*Formalization*	*Differentiation*
• Do external workers share the same premises as salaried workers? • Do external workers use the same IT tools as salaried workers? • Do external workers have access to your organization's resource/expertise centers?	• Who is in charge of organizing the work of external workers? • Who is in charge of the HR aspects of the external workers?	• Does your organization have a specific strategy for the use of external workers?	• Does your organization pay more or less attention to external workers than other workers? • Is there a specific department in charge of managing external workers? • Is there a specific procedure for monitoring external workers, or is there no monitoring at all, unlike for regular workers?

autonomy, anxiety about unclear performance expectations, and self-criticism in the event of failure. Conversely, too-strict guidelines linked to formalisation can undermine their autonomy at work.

- The degree of differentiation reflects the extent to which talent management practices differ when applied to external workers or regular employees (Marescaux et al., 2013). One of the reasons for adopting differentiation in managerial practices is to avoid the risks of legal reclassification linked to the nature of the employment relationship (Prassl and Risak, 2016). However, Marescaux, De Winne, and Sels (2013) show that differentiating practices is a double-edged sword: the expected positive effects of workers benefiting from more favourable conditions – mainly higher commitment – may be counterbalanced by the negative impact on workers who consider themselves disadvantaged. Another issue is the potential lack of consistency: a gap may be created between the corporate strategy and its implementation, with a growing risk of not sharing the same values between internal and external workers (Greer et al., 2017).

Table 6.1 shows the questions we used to build each indicator.

A narrative literature review on total talent management and its components

In a second step, we launched a narrative literature review with exploratory purposes on Google Scholar and Business Sources Premier, in various disciplinary fields (management, economics, psychology, law, information systems, etc.) in order to catch the full range of proposals emanating either from academics or from consultants on the management of external talents. If a growing body of literature advocates for a better management of the external workforce, the suggested denominations (total workforce management, total talent management, blended workforce management, etc.) are, however, not yet stabilised and show the emerging nature of the phenomenon. In addition to that, the dominant approach so far is more often normative rather than supported by facts, as recognised by Cascio and Boudreau (2017). The rhetoric

around total talent management often comes from consultants and HR technology providers. The practice is presented as a way for the HR department to regain control over the data collection on external workers and, therefore, to retake a central position in the management of all talents against the trend to leave the management of external resources to purchasing departments, line managers, and/or project managers (Keegan et al., 2012).

Rather than referring to the previously mentioned normative concepts, we used the following keywords: external workers or workforce, contractors, contingent workers, independent professionals (ipros). Drawing on our previous research in the gig economy (Lorquet et al., 2018), we also introduced the concepts of labour market intermediaries (LMIs) and quasi unions (referring to emerging forms of collective action). After having gathered several dozens of papers, we selected those explicitly referring to external talents, which formed the basis of our study.

We must highlight that the results of our data collection were scattered, according to the specific focus of each paper. We therefore used the previous transversal distinctions between work status, work content, and working conditions to aggregate our findings within an integrated analytical framework.

5. Current trends in the management of external workers in Belgium

Although the proportion of external workers remains rather low in our sample – two-thirds of the respondents indicate that external workers represent less than 20% of their salaried workforce – their use has become a very common practice since 71% of the respondents say they use temporary agency workers, 75% use freelancers, and 34% use project sourcing workers. In total, 88% of the respondents use external workers. This type of work arrangement is often characterised by medium- to long-term relationships (48% use them for more than three months) and concerns jobs considered as strategic in three out of five cases. Many (46%) also state that the relationship with these workers is recurrent, mostly in case of project sourcing workers (69%).

The main motives for using external talents vary according to the type of work arrangement considered. Unsurprisingly, temporary work aims at obtaining more organisational flexibility (50%), while the recourse to self-employed and project sourcing workers often appears as a response to the difficulty of attracting such talents within traditional employment relationships. The blended workforce seems to be a structural trend for most respondents since only a minority (20%) envisages a lower proportion of external workers in the future.

As shown in Table 6.2, most external workers share the same infrastructure (premises, IT tools, resource/expertise centres) as regular employees (65%) and are not differentiated from them in their daily working life (77%). A specific strategy dedicated to the management of external workers either does not exist or remains largely informal (77%), probably due to the risks of legal reclassification into regular employment relationships. Three-quarters of respondents, however, feel they control such risks. In addition, a similar proportion considers external workers are not concerned by social dialogue and by the regulatory framework linked to it. For a majority (54%), the responsibilities concerning the work organisation and the HRM of external workers are not centralised in the HR department and are either partially or entirely carried out by other departments. Moreover, they are often shared between two (29%), three (13%), or even more managers (5%) or again externally, with labour market intermediaries.

Such trends contrast with the growing use of external talents in modern organisations and the various risks linked to these atypical work arrangements, either for organisations (legal risk of reclassification, lack of visibility, lack of equity between regular employees and external

Table 6.2 Main Results of Our Survey of the Belgian Labour Market

Questions	*Answers*
On average, how many internal and external workers did your company have (in Belgium)?	Proportion of external workers: < 20%: 66% 20% < 49%: 17% 50% < 99%: 6% + 100%: 11%
Which of the following types of external workers does your organization use?	• Temporary agency workers: 71% • Self-employed workers: 75% • Project sourcing workers: 34%
What is, in general, the duration of the relationship with external workers?	• TSingle activity of max 3 months: 29% • TRecurring activity of max 3 months: 23% • TSingle activity of more than 3 months: 25% • TRecurring activity of more than 3 months: 23%
For what types of activities are external workers involved in your organization?	• TStrategic function: 40% • TPeripheral or support function: 60%
What is the main reason for using external workers?	Temporary agency workers: - Flexibility: 50% - Cost: 5% - Human Capital: 16% - Others: 29% Self-employed workers: - Flexibility: 22% - Cost: 12% - Human Capital: 61% - Others: 5% Project sourcing workers: - Flexibility: 36% - Cost: 13% - Human Capital: 51% - Others: /
How do you see your resources developing over the next two years?	• A lower proportion of external workers: 20% • A lower proportion of salaried workers: 30% • No change: 50%
The risks of reclassification of the employment relationship are controlled by my organization.	• Strongly disagree: 7% • Disagree: 18% • Agree: 59% • Strongly agree: 16%
Social dialogue also concerns external workers.	• Strongly disagree: 35% • Disagree: 37% • Agree: 26% • Strongly agree: 2%
Infrastructure sharing	• **High: 65%** • **Low: 35%**
- Do external workers share the same premises as salaried workers?	• Never: 2% • From time to time: 25% • All the time: 73%
- Do external workers use the same IT tools as salaried workers?	• No: 14% • Yes, with restrictions: 34% • Yes, without restrictions: 52%

(*Continued*)

Table 6.2 Main Results of Our Survey of the Belgian Labour Market (Continued)

Questions	*Answers*
- External workers have access to your organization's resource/expertise centers	• Strongly disagree: 10% • Disagree: 21% • Agree: 56% • Strongly agree: 13%
Centralization	• Fully under the responsibility of the HR department (work organization *and* HRM issues): 40% • Partially under the responsibility of the HR department (either work organization or HRM issues): 6% • Outside the responsibility of the HR department: 54%
- Who is in charge of organizing the work of external workers?	• HR department: 41% • Line manager: 18% • Direction: 17% • Project manager: 11% • Specific service: 5% • External organization: 4% • Purchase department: 3% • Legal department: 1%
- Who is in charge of the HR issues of external workers?	• HR department: 45% • Line manager: 16% • Direction: 16% • Project manager: 10% • Specific service: 5% • External organization: 5% • Purchase department: 3% • Legal department: /
- Number of people in charge of HRM matters	• 1 manager: 53% • 2 managers: 29% • 3 managers: 13% • 4 and more managers: 5%
Formalization - Does your organization have a specific strategy for the use of external workers?	• **No strategy: 35%** • **Informal strategy: 43%** • **Formal strategy: 22%**
Differentiation	• **High: 23%** • **Low: 77%**
- Does your organization pay more or less attention to external workers than other workers?	• Less attention: 34% • As much attention: 64% • More attention: 2%
- Is there a specific department in charge of managing external workers?	• Yes: 70% • No: 30%
- Is there a specific procedure for monitoring external workers, or is there no monitoring at all?	• Integrated: 19% • Non-existent, like employees: 11% • Special procedure: 34% • Non-existent, unlike employees: 36%

workers leading to lower engagement and opportunistic behaviours, etc.) or workers themselves (few access to social protection, exclusion of collective bargaining, economic dependence and precariousness, few support offered to shared expertise and professional identification, discontinuity of the workload, uncertain income flows, low access to training opportunities, etc.). Our data, therefore, provide empirical arguments for an increased investment of HR managers in total talent management strategies, including both internal and external talents.

6. Main components of a total talent management strategy

Considering the various risks gig workers may encounter compared with regular employees and drawing on the three aforementioned dimensions of autonomy at work, we suggest three potential fields of action for HR managers vis-à-vis external talents. For each dimension, we refer to the opposition between transactional and relational approaches, and we consider the latter as a potential basis for a total talent management strategy.

Securing work status

First of all, HR managers will have to develop their expertise beyond labour law in order to encompass and master the large variety of legal and regulatory problems gig workers may experience (tax legislation, intellectual property rights, commercial law, etc.) within an extended ecosystem composed of LMIs, workers, and requesters (Meijerink and Keegan, 2019).

Moreover, they must be prepared to the emergence of quasi unions (Hirsch and Seiner, 2018), apart from conventional unions, dedicated to voice the concerns of external talents. Such community-based associations develop complex relationships – more or less conflicting – with conventional unions (Heckscher and Carré, 2006; Hyman and Gumbrell-McCormick, 2017, Xhauflair et al., 2018). HR managers thus have to learn practicing new forms of collective bargaining in order to have a more global view of the existing dynamics in their company.

Despite recent legal evolutions in various EU countries, the self-employed status is often associated with a limited access to social protection (Semanza and Pichault, 2019).

Low-road versus high-road strategy about work status

The transactional approach will consider this problem does not concern client organisations: the (higher) fees paid to external talents should allow them to find appropriate insurance packages. However, if HR managers of client organisations want to keep playing a role in attracting talents, they have probably to learn a cooperation game with new LMIs and other third-party actors offering original solutions to secure the professional situations of gig workers (Ruine, Wilkesmann and Apitzsch, 2020; Koene and Pichault, 2021). Such LMIs may consider workers either as quasi employees or quasi self-employed workers (Lorquet et al., 2018). When workers are considered as quasi employees – for instance, the French Business and Employment Cooperatives (Bureau and Corsani, 2018; Ballon, 2019) – their work status tends to be secured by the LMIs themselves via regular employment contracts. Conversely, when they are considered as quasi self-employed, they can be offered a more secure work status via the provision of insurance packages and/or the access to social entitlements. Such 'functional equivalents' (Marsden, 2004) can become the basis of HRM innovations in which client organisations partner with LMIs at a local or regional level (Brulin and Svensson, 2012). By adopting the relational approach, companies extend their social responsibility beyond organisational borders (De Stefano et al., 2018), expecting higher cooperative behaviours from external talents (Wiesenfeld et al., 2001). This

should of course be accompanied by an in-depth analysis of the working conditions offered to both internal and external workers, in order to avoid any problems of equity.

Developing the high-road strategy about work status

Drawing on the previous considerations, we suggest the first research proposal (P1), which must be validated through future empirical work: *Securing the work status of gig workers through partnerships with LMIs, quasi unions, and other third parties will decrease the risk of job uncertainties and precariousness experienced by these workers and stimulate cooperative behaviours within the ecosystem*. This proposal refers to the numerous studies on job instability among gig workers and the opportunities offered for an effective recomposition of labour politics (de Peuter, 2011; Fleming, 2017; Prassl, 2018) through new trade-offs between flexible work arrangements and secure working situations (Judzik et al., 2016).

Providing leeway in work content

External talents often experience supervision over work outcomes rather than over work processes (Cappelli and Keller, 2013), which is often considered as a key indicator to avoid any legal reclassification related to the work status. Nevertheless, compared to 'traditional' professionals (lawyers, physicians, architects, etc.), 'new' professionals are more likely to develop their activities away from any kind of regulation (Leighton and McKeown, 2015), which means that the outcomes of their work can be difficult to evaluate.

Low-road versus high-road strategy about work content

In a transactional perspective, client organisations may however be tempted to multiply extensive controls, both over processes and outcomes, in order to secure the delivery on time and at lowest costs (Prassl, 2018). Bureaucratic control through strict technical specifications, often observed in gig work (Duggan et al., 2020), is, however, not likely to fit the quest for autonomy of many independent professionals.

In a relational perspective, HR managers can give gig workers the possibility to design the content of their work and decide the way in which they will do the job, the methods they will use, and the competences they will mobilise, provided that the contractual outcomes are achieved. External talents will then receive the responsibility for making choices on such issues, beyond their compliance with quality standards and processes. The latter can, therefore, be encouraged to develop job crafting practices: self-definition of the tasks to be completed, development of interpersonal relationships through the achievement of their tasks, cognitive reframing of the job to be done, and so on (Tims and Bakker, 2010). On top of that, more emphasis on expectations, motivation, and meaningfulness of gig workers (Bush and Balven, 2018) could reduce the negative signals sent to regular employees when they feel concerned about the use of an external workforce (Banerjee et al., 2012; Connelly and Gallagher, 2006; Davis-Blake et al., 2003; George and Chattopadhyay, 2015; McKeown and Cochrane, 2017; Pedulla, 2013; Von Hippel and Kokokimminon, 2012).

If they are members of professional associations (guilds, orders, etc.), gig workers may be provided with guidelines and good practices potentially useful in their daily work. If not, they will probably look for peer support when facing complex tasks, unexpected problems, ethical dilemmas, and so on. Still, in a relational perspective, HR managers may launch open initiatives through which external workers might access shared expertise and mutual

support. They can encourage professional identification via peer feedbacks – potentially revising unfair client feedback ratings (Kuhn and Maleki, 2017) – and the creation of communities of practices, professional forums, and/or knowledge management systems among internal and external workers, regardless their status. Such supports offer real opportunities to share cognitive frames around the problems encountered, the solutions provided, and the quality standards likely to be achieved, which eventually leads to develop their self-efficacy (Goodwin, 2019).

It may be objected that HR managers have a weak influence on the definition of operational tasks assigned to external workers. However, if they are ready to work in close cooperation with line and project managers of their own organisation – as suggested by Keegan et al. (2012) – and with LMIs in order to maintain, through permanent negotiations with them, a subtle balance between bureaucratic and social coordination mechanisms, they can provide gig workers with a sufficient room for manoeuvre and avoid a frustrating accumulation of controls (Bush and Balven, 2018). The control over work outcomes – instead of work processes – also means the possibility for them to determine their own work pace and workload. Drawing on the self-determination theory (Deci and Ryan, 2000), HR managers can guarantee such possibilities by limiting the temptation for line and/or project managers to impose either directly or via LMIs demanding work pace and intensive workload. By considering the multilateral relationships among LMIs, workers, and requesters (Meijerink and Keegan, 2019), HR managers can thwart the tendency to use command-and-control methods and maximise the potential contribution of external workers looking for more responsibility in the content of their work, as already suggested by Jabagi et al. (2019).

Developing the high-road strategy about work content

The second research proposal (P2) can be put forward for further investigation: *Providing leeway in the work content of gig workers through specific negotiations with line managers, project managers, and LMIs and supporting the development of communities of practices will protect them against the risks of alienation and enhance their intrinsic motivation*. This proposal extends the self-determination theory (Deci and Ryan, 2000), usually applied to standard employment relationships and the management of external talents and is supported by recent studies on the positive impact of peer feedback, perceived autonomy, and sense of belongingness in platform work (Boons et al., 2015; Kuhn and Maleki, 2017; Bush and Balven, 2018; Jabagi et al., 2019).

Enhancing working conditions through brokerage actions

Many surveys and empirical studies have shown that individual gig workers may be concerned with the lack of opportunities they are offered in skills development, the high instability of their incomes, and the degradation of their work-life balance due to various pressures on their time and space arrangements (Kalleberg, 2009, Probst et al., 2018; Semanza and Pichault, 2019).

Low-road versus high-road strategy about working conditions

The transactional approach will consider, however, that client organisations have nothing to do with the working conditions of external workers: the latter must decide to use – or not – the solutions offered by LMIs and quasi unions according to their own preferences. Conversely, a relational approach will lead HR managers develop initiatives in these fields, sometimes on their own, most often in partnership with these third-party actors, given their investment may pay off

in higher levels of commitment, as shown by Ruiner et al. (2020) in their paper on the role of staffing agencies in the working conditions of highly skilled independent contractors.

In important concern for gig workers is the way in which they can preserve enough time and resources to develop their professional skills and manage their career progression. External workers are less likely to be trained than regular employees (Semanza and Pichault, 2019). When they are supported by LMIs considering them as quasi employees, they usually benefit from training initiatives dedicated to improving their employability. When they are supported by LMIs considering them as quasi self-employed, such initiatives might be rarer. However, some solutions – like specific talent development programmes – may be provided by LMIs as 'functional equivalents' (Marsden, 2004) to what could be found in regular employment relationships. Some LMIs may even use such solutions as a marketing argument when supplying talents to client organisations. Once again, HR managers of client organisations can choose the transactional approach, considering gig workers must be responsible for their own skills development and limit their action to check if such workers have the necessary skills to perform the job. Conversely, if they Think an extended social responsibility may be profitable for their business (Chambel and Castanheira, 2012) and/or be in line with their own values, they will not hesitate to launch initiatives and take part in skills ecosystems (Hall and Lansbury, 2006; Meijerink and Keegan, 2019), grouping on a local basis different partners interested in talent development (companies, universities and high schools, public authorities, NGOs, etc.). They can propose vocational training and career ladders – both internally and externally – through a succession of high-level assignments for the most talented workers (Bush and Balven, 2018).

Many gig workers complain about volatile income flows, often linked to the difficulty to get paid on time (Miller, 2015). A pure transactional relation is logically equated to cost killing strategies emanating from client organisations: the competition among bidders can lead them work under the market price and/or accept uncertainties about the probability to get paid on time (de Peuter, 2011). A more relational approach encompasses the development of innovative compensation and benefits solutions, most often through partnerships with LMIs and other third-party players, in order to attract, secure, and retain a talented workforce on specific projects. Such solutions may be compliance with professional fees, contractual penalties in case of late payment, solidarity funds likely to be used in case of financial difficulties, subscription to third-party escrow services through which the payment is guaranteed once predetermined milestones are achieved, and so on. As shown by Miller (2015), structuring funding streams in a continuous pipeline between external skilled workers and client organisations is a key challenge for the gig economy beyond any legal reform at the institutional level.

Finally, a pure cost-based strategy can make gig workers fully responsible for time and space arrangements, without any specific intervention from the client organisation except for what concerns the compliance with job constraints. Conversely, HR managers can pay more attention to these questions and allow a mutual adaptation between organisational and personal time constraints. In a similar vein, they may provide a preferred access to shared facilities, either inside or outside their premises, with flexible working hours. Such spatial arrangements may be supported by several client organisations and/or third-party actors, joining in the ownership and the daily management of common facilities. The investment in such co-working spaces can lead to greater engagement and enhanced innovation capacities. As suggested by Gandini (2015), co-working spaces offer external workers – even in unstable working situations – a non-hierarchical environment enabling the development of social networks among peers and reinforcing their sense of belongingness to a professional community.

Developing the high-road strategy about working conditions

The third research proposal (P3) may be submitted to further exploration: *Enhancing working conditions of gig workers through brokerage actions within local skills ecosystems, innovative remuneration packages, and/or shared facilities will respond to many concerns about the unpredictability of their job while reinforcing their work engagement and affective commitment*. This proposal is supported by the literature on work engagement (Schaufeli et al., 2006) and affective commitment (Meyer and Allen, 1991) applied to ipros (McKeown and Cochrane, 2017) and gig workers (Jabagi et al., 2019).

7. Synthesis: new opportunities for both gig workers and HR managers

It must be reminded that the concept of total talent management is not yet well established in the academic literature and mainly reflects normative stances. Most existing definitions come from HR technology vendors and consultants. Critical analysts may thus logically wonder whether they are not facing a new managerial fashion. Our survey confirms that most companies are still far from developing a formal total talent management strategy and that HR departments are not often responsible for managing external talents. Our literature review, however, puts forward some important HRM challenges related to the management of gig workers and shows the interest of building appropriate answers, as suggested by recent studies (Duggan et al., 2020). Table 6.3 provides a synthesis of our findings according to the three dimensions of autonomy at work experienced by gig workers.

A provisional definition

At the end of the day, total talent management may be defined as a series of inclusive actions likely to be developed by HR managers in partnership with both internal actors (line managers, purchase managers, project managers, etc.) and external stakeholders (LMIs and quasi unions) to manage the concrete working situations of a blended workforce, composed of regular employees and external talents. Such initiatives may be formalised through a dedicated policy and via contractual arrangements with LMIs. However, as shown in our survey, they may emanate from line and/or project managers on a much more informal basis, opening an implicit access to some devices usually offered to regular employees (training, continuous feedback, internal job market, canteen and recreational facilities, etc.) but simultaneously exposing the company to a series of legal (reclassification) and organisational (equity with regular employees) risks and threats. Eventually, they may be directed either towards the transactional (low-road) or the relational (high-road) approach.

Potential benefits for gig workers

On the one hand, a relational total talent management perspective is potentially beneficial for gig workers: diminishing the risks of precariousness linked to their work status (P1), extending the protection against alienation through more leeway in their work content (P2), and taking account of their concerns about unpredictable working conditions (P3) are probably very attractive ways to improve the individual experience of gig work, as shown by McKeown and Pichault (2021) in their survey among ipros in Belgium and Australia.

Table 6.3 Key Components of a Total Talent Management Strategy for External Skilled Workers

Dimensions of autonomy	Main HR challenges
Work status	• Develop legal expertise beyond labor law (tax, intellectual property, commerce, etc.) • Identify and cooperate with labor market intermediaries supporting nonstandard career paths through original packages of social protection • Practice new forms of collective bargaining with quasi unions that voice the concerns of external skilled workers
Work content	• Cooperate with operational, project managers and labor market intermediaries to maintain a balance between bureaucratic and social coordination mechanisms, paving the way to job crafting • Allow self-determination of work pace and workload • Use continuous feedbacks in order to reinforce the feeling of pride and respect among external skilled workers • Support the social integration of external skilled workers in order to reduce the potentially negative signals sent to regular employees • Stimulate the professional identification of external skilled workers via exchange opportunities (communities of practices, forums, knowledge management systems, etc.)
Working conditions	• Contribute to the development of local skills ecosystems and act as career brokers vis-à-vis other organizations • Guarantee regular income flows for all workers regardless their status (application of professional fees, use of platforms to secure the staggering of payments, acceptance of contractual penalties in the event of late payment, creation of solidarity funds likely to be used in case of financial difficulties) • Provide external skilled workers with a priority access to shared facilities (co-working spaces) enabling the development of social networks among peers

Potential benefits for the HRM function

On the other hand, drawing on the ecosystem perspective suggested by Meijerink and Keegan (2019), our three research proposals show the challenging opportunities offered to the HRM function to learn new cooperation games with both internal and external stakeholders. They open a promising research agenda for scholars interested in endowing the concept of total talent management in the gig economy with more robust theoretical foundations. They also call for more empirical work around this topic in various institutional contexts.

8. Conclusion

Our paper is an attempt to explore the main HRM challenges linked to the growing use of external talents in the gig economy. We have shown that modern companies can opt for different approaches, ranging from the transactional approach (limited consideration) to the relational approach (special attention to such workers).

The main empirical contribution of this paper is to explore, through an original survey among Belgian companies, the management of their external talents: even if the latter often share the same infrastructure and are not differentiated from regular employees, the total talent

management strategy is rarely formalised and is not always under the full responsibility of the HR department. Very few empirical studies document such practices.

The main theoretical contribution is to provide a theoretical basis for the concept of total talent management, beyond normative statements, through a narrative literature review on the management of gig workers. Multiple empirical studies (Bush and Balven, 2018; Kuhn and Maleki, 2017; McKeown and Cochrane, 2017; Von Hippel and Kokokimminon, 2012) argue that tailored initiatives vis-à-vis external talents, developed in a relational approach (high-road strategy), give modern organisations significant competitive advantages compared to those adopting a low-road strategy. The evidence provided by such studies, however, remains scattered due to the fact that each of them explores specific sub-dimensions. Our paper is an attempt to combine these various contributions into an integrated analytical framework.

Our paper also provides practical contributions. Engaging in total talent management in the gig economy often means that HR managers have to partner with other stakeholders in a triadic playground. They must learn how to cooperate not only with internal actors (line and project managers, as shown by Keegan et al., 2012), but also with their counterparts in other client organisations and with emerging third-party actors, such as labour market intermediaries (Bonet et al., 2013; Lorquet et al., 2018) and quasi unions (Heckscher and Carré, 2006; Hirsch and Seiner, 2018; Tassinari and Maccarrone, 2020). This cooperation game provides them with unexpected opportunities to develop new professional skills by launching various initiatives – more or less formalised – related to the three main components of autonomy experienced by ipros. Table 6.3 suggests diverse concrete actions they can develop once convinced about the benefits of the relational (or again high-road) strategy. Such actions may also be beneficial for the gig workers themselves because they are likely to reduce the main risks encountered in terms of precariousness (work status), alienation (work content), and unpredictability (working conditions).

We must admit that our contributions remain at an exploratory stage, calling for further empirical analyses. The main implications for future research on the management of the external workforce are the following. First of all, extant initiatives launched by client organisations to support the professional development of gig workers must be systematically reviewed through a series of case studies in various institutional contexts, contrasting liberal and coordinated market economies (Hall and Soskice, 2001). Second, further empirical research is needed to define the conditions under which HR managers can reinforce the contribution of gig workers to organisational performance and improve their own working life experience. Third, an extended literature review and additional empirical research must be undertaken to check the possibility to apply the concept of total talent management to the various categories of external workers, including the less qualified segment.

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PART II

Globalisation, women, and migration in the gig economy

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7

(RE)INVENTING THE COLLECTIVE DIMENSION IN A 'VIRTUALISED' LABOUR MARKET

Christophe Degryse

1. Introduction

The virtualisation of work, or more precisely the virtualisation of the *work relationship* in its three dimensions – place, time, and action – has the side effect of weakening the 'social model' of industrialised countries, an edifice built very gradually on these three dimensions since the end of the 19th century. While virtualisation is giving rise to new forms of management, it is also giving rise to social experiments by workers and labour organisations aimed at reinventing a new collective dimension which now appears as the only way to improve working conditions in the digital world.

The 2010s saw the emergence of many debates – and the publication of numerous studies and research articles – on how new technologies are impacting the world of work. In a nutshell, these debates focused on two major transformations of jobs and labour markets: first, the automation and computerisation of an increasing number of tasks, including non-routine cognitive tasks, through the joint development of robotics, data, and artificial intelligence; and second, the emergence of new business models, in particular the platform economy, made possible by the extraordinary deployment of mobile internet and smartphones (more than six billion smartphones worldwide, according to Deloitte 2021).

The question of the social impact of this Fourth Industrial Revolution – an expression popularised by the 2016 World Economic Forum[1] and encompassing these transformations (smart factories and new business models) – has now grasped the attention of the academic community and researchers from various backgrounds. Like its predecessors, this new revolution has given rise to a host of questions, especially about the future of work in this digitalised world. Several epistemic communities (Haas 2015) have emerged, each proposing different approaches to handling the impact of new digital technologies on labour markets and employment.

Among these communities, we find economists, engineers, organisation management specialists, and IT experts. They were among the first to have launched the debate, in the early 2010s, on the question of the number of jobs under threat from computerisation, digitalisation, automation, and artificial intelligence. Though it is obviously impossible to name them all, they include Carl Benedikt Frey and Michael Osborne (2013), Erik Brynjolfsson and Andrew McAfee (2014), David Autor (2015), Melanie Arntz (2016), Daron Acemoglu and Pascual Restrepo (2018, 2020), and Richard Baldwin (2019). Also in this category are engineers and computer

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scientists, such as James Manyika (2013) and Martin Ford (2015), and management experts, such as David Weil (2014) or Andrew McAfee (2014). This group of academics and researchers focused on the impact of new technologies on the quantity of jobs, the number of jobs at risk of extinction, the number of new jobs expected to be created, and the number of jobs set to be transformed or displaced. They also looked at the emergence of the platform economy as a new business model, examining in particular its links and complementarities with traditional firms.

A second epistemic community is made up mainly of lawyers who are experts in labour law and social security law, but also in data protection and information technology. A little later, the debate became focused on the question of the status of workers in this digital economy, with a special focus on workers in the new platform economy: gig workers, crowdworkers, and other clickworkers. The business model of these platform companies (Amazon Mechanical Turk, Upwork, Uber, Lyft, etc.) makes use of a workforce to a certain extent outside the scope of traditional legal analysis. This led the group of legal experts to examine the new forms of employment relationships between these workers and their 'employers' with a view to establishing whether links of subordination, control, and evaluation did not run contrary to the self-employed status often imposed by platforms. The aim here was not just to help these often-precarious workers but also, ultimately, to safeguard social legislation itself, the loopholes of which were being skilfully exploited by these digital platforms. Also addressing such issues as digital workplace surveillance and control of employees by artificial intelligence systems, this community includes lawyers, such as Valerio De Stefano (2016, 2018, 2021), Miriam Cherry (2016), Matthew Finkin (2016), Jeremias Prassl (2018), Antonio Aloisi and Elena Gramano (2019), Nicola Countouris and Valerio De Stefano (2019), and Isabelle Daugareilh *et al.* (2019), to name just a few.

A third epistemic community could also be observed, made up of sociologists, anthropologists, and occupational health and safety experts. Given the surge of robotics, artificial intelligence and algorithms in the world of work, they are looking more closely at such questions as the interface between man and machine, ways of collaborating with artificial intelligence, well-being and satisfaction at work, but also the working conditions of the new workers of the digital economy, and in particular their job insecurity: microworkers, ghost workers, digital galley slaves, bullshit jobs, and so on. A whole host of sociologists – including such well-known names as Aneesh (2009), Arne Kalleberg and Steven P. Vallas (2017), David Graeber (2018), Alex Wood and Vili Lehdonvirta (2021), Jamie Woodcock (2021), Juliet Schor *et al.* (2020), Mary L. Gray and Siddharth Suri (2019), Antonio Casilli (2019), Sarah Abdelnour and Dominique Méda (2019) – is involved here.

This proposed categorisation obviously does not fully cover the variety of debates on the future of work in the digitalised world. Other disciplines are also involved, including historians, geographers (Graham 2019), philosophers (Cant 2019, 2020), and ergonomists (Bérastégui 2021). Moreover, these different approaches are in many ways interlinked, adding spice to the discussions on the future of work.

But the culminating point of the 2010s was undoubtedly an external event that suddenly forced the world's industrialised countries into this digital world shaping how we will work tomorrow: the 2020 outbreak of COVID-19. The pandemic has greatly accelerated the use of digital tools. Though this acceleration was no great technical leap forward *per se*, as most of the digital tools had already existed or were in the course of being developed, the lockdown measures and the closure of offices, factories, shops, schools, public administrations, and cultural institutions suddenly made these tools indispensable to the functioning of the economy.

This was particularly the case in the business world, with companies quick to take up all those applications (Teams, Zoom, Workplace, Slack, Discord, Gemba, etc.) enabling them to

continue working in all their dimensions: meetings, communication between colleagues, collaboration on projects, but also, for example, informal chat channels as a substitute for the socialising function of a coffee corner. Though most of these tools existed before the pandemic, the latter created the conditions to cluster them, thus contributing to a comprehensive virtualisation of the world of work. Initially thought to be a temporary phenomenon, this virtualisation gradually took hold of several sectors, creating the conditions for a paradigm shift in the employment relationship. This is why we consider it a good idea to add a dimension to the earlier analyses of the epistemic communities, looking at the transversal impact of this change on the social models of industrialised countries, mainly in Europe and North America.

In order to describe the possible social impacts of this virtualisation, we start with a brief historical look at how technologies have shaped work since the First Industrial Revolution, progressively gathering and concentrating the workforce in specific locations (Section 1). We will see how this concentration gave rise to the first collective labour disputes and how different social models emerged on the back of these disputes.

In the second half of the 20th century, the surge of new information and communication technologies (ICT) helped transform this model by internationalising and de-concentrating it along value chains that progressively spread to cover the whole world. The literature has well described the social impact of this form of workplace fragmentation (Section 2). Today's 'new' new technologies are contributing to a virtualisation not only of places but also of time and teamwork. We will thus be discussing the possible consequences on the regulation of such aspects (Section 3). After having analysed how digitalisation and virtualisation are undermining the edifice housing the industrial social model (Section 4), we will conclude with an empirical observation of experiments in emerging forms of work collectives. Are these the embryo of a new social model adapted to the digital economy?

2. The physical diktat of work

One of the social characteristics of the first waves of industrialisation beginning in the late 18th and continuing throughout the 19th century was the threefold diktat to which human labour – until then basically represented by peasants, craftsmen, and merchants – was subjected. Work was now confined to a specific place (the workshop and later the factory), performed for specific periods (daily and weekly working hours), and dictated by specific processes (the mechanisation of production led to a collective organisation of work around the machine).[2]

As described by Joel Mokyr (2001), the introduction of the steam engine in the British textile industry in the 19th century inexorably led to the disappearance of home weaving: 'Until [the 1820s], the handloom weaver, operating from his own home, not only was not threatened by the factory, but actually prospered. With the rapid spread of power looms after the 1820s, home weaving rapidly disappeared. Many of the former handloom weavers simply joined the factories they could not beat' (Mokyr 2001: 6). The British labour historian Edward Palmer Thompson similarly noted, 'Observers in the 1830s and 1840s were still exclaiming at the novelty of the "factory" system. . . . The steam engine had *already drawn together* the population into dense masses' (Thompson 1963 – emphasis added).

This new configuration of production was accompanied by a terrible worsening of working conditions. According to Thompson, the intensity of this work, particularly child labour, increased considerably between 1780 and 1840. Machines now set the pace of work, with their owners seeking to optimise their return on investment, as machines were expensive.

In the face of the excesses of the new forms of workforce exploitation, the first laws to protect workers were adopted. Initially concerning working hours, the aim was to reduce (and

then prohibit) child labour, to limit daily and weekly working hours, and to grant rest periods. The protection of workers then went on to regulate workplaces, taking the form of rules for safety, health, and the prevention of work-related accidents and occupational diseases. Finally, it started covering the organisation of work itself. The use of power (in the form of water or a steam engine) to drive the machines implied the collective organisation of work. Moreover, the clustering of workers in the same place created the conditions for their collective organisation to fight for better working conditions, a better organisation of work and better wages.

Looked at from this angle, the technical innovations of the first industrial revolutions – steam engines and later electricity, the combustion engine, mechanisation, and so on – helped forge a business model, and with it a model for regulating work that borrows from the classical theatre of the 17th century the three principles: unity of action, unity of place, and unity of time. While social history has extensively documented the emergence of the industrial social model, it has perhaps not yet been sufficiently emphasised that this entire model is the highly conflictual result of technological transformations that led to the gradual regulation of workplaces, working hours and the collective organisation of work.

This model reached its peak in the middle of the 20th century in the United States and during Les Trente Glorieuses, the three decades of surging economic prosperity in Europe between 1945 and 1975 (Fourastié 1979). Industrial work was thus governed by these three structuring units, with many workers spending their whole working life in the same company.

3. The erosion of the physical diktat – the fissuring of work

From the second half of the 20th century, this diktat started to be gradually eroded and weakened, undermining the associated social model. Computers and information technology were drivers of this evolution. While they obviously do not explain everything associated with the transnational development of companies in search of markets, resources, and efficiency in production processes, they played – and continue to play – a key role. The fact that multinational companies underwent a major development phase in the 1970s and even more so from the 1980s onwards (i.e. precisely when IT was developing) is by no means an accident. ICT contributed to the transformation of the structure of their transnational activities and the introduction of new managerial strategies to manage, control, and coordinate activities across borders, contributing in particular to a significant growth in outsourcing and the international division of labour (Dunning 2009: 59). As noted by Cantwell, 'internationalisation through the MNC [multinational corporation] and the corporate development and application of ICT have become intertwined in a new era of innovative capitalism' (Cantwell 2009: 437).

But at the same time, 'the rise of an increasingly global economy no longer firmly rooted in nation-states, and encompassing a large portion of the developing world, has led to a governance deficit of considerable magnitude' (Gereffi 2006: 58). In particular, the rapid development of subcontracting, outsourcing, and global value chains and the coordination of subordinate enterprises are gradually leading to 'fissured workplaces', in the words of David Weil (2014), with all activities not key to a company's profitability outsourced. In contrast to the model of the large integrated company of the 20th century with tens of thousands of salaried workers, the 21st-century large company tends to be a coordination centre using resources in a flexible way (Veltz 2017), controlling a chain of subcontractors, franchisees, freelancers, and subordinate companies in a world marked by this governance deficit.

This workplace fissuring goes hand in hand with a worsening working conditions: the further away the subcontractor is from the heart of the company, the worse the working conditions are, as tragically illustrated in the textile and clothing industry by the collapse of the Rana

Plaza in Bangladesh in 2013, a factory used by the subsidiaries and subcontractors of the major international *fast fashion* groups. Subcontracting, outsourcing, and global value chains are now being complemented by the new forms of digitalisation of work we are seeing today. They are having an additional fissuring effect on working time and the collective organisation of work.

4. The virtualisation of the work relationship

The COVID-19 pandemic has let us observe how even traditional companies are facing the same challenges, with workplaces and fixed working hours disappearing and collective forms of work organisation breaking down. From this point of view, the dividing line between companies and online labour platforms seems likely to become further blurred. Platform work can take many different forms (Schmidt 2017). But whether it is web-based cloud work (e.g. Upwork, ClickWorker, Amazon M. Turk, 99designs) or location-based gig work (e.g. Uber, Lyft, JustEat, DoorDash, Deliveroo, Helpling, Care.com), one of the main characteristics of this form of work is the absence of regulation on working hours, workplaces, and collective organisation (Degryse 2020). An absence of regulation sometimes portrayed by the platforms themselves as the ultimate freedom: app-based workers can 'work *when*, *where* and *how* they want'[3] (emphasis added).

Similarly, the new forms of virtual work organisation in companies are plunging employees into an environment where notions of working time, health and safety rules, or ergonomics are blurred; where the collective organisation of work – including collective representation[4] – is made difficult; and where the various forms of intermediation and algorithmic management can contribute to weakening the employment relationship itself. The algorithmic insecurity experienced by platform workers (Wood and Lehdonvirta 2021) could therefore further penetrate the business world through the virtualisation of work, or more precisely the virtualisation of the work relationship in its dimensions of place, time, and action.

a. The virtualisation of workplaces and work teams

The workplace, the physical tangible space where workers come together to perform their work, is becoming increasingly virtual. Physical workplace presence is being reduced in favour of an increased presence in virtual collaboration spaces. According to Norm G. Miller (2014), long-term trends in the United States were already pointing to a decrease in space per worker. The pandemic has accelerated this trend, with many companies having more employees than available office space. In the major North American cities, office occupancy rates have been in free fall since the COVID-19 crisis (Eavis and Haag 2021). In Europe too, studies are revealing a significant drop in the amount of office space occupied by workers. 'Since the Great Financial Crisis, floorspace per worker (FPW) in Europe has fallen by around 9%' (BNP Paribas Real Estate 2020).

Tech companies already involved – with varying degrees of success – in offering digital management tools have facilitated this virtualisation. Traditional digital tools for emails, marketing, customer service, and sales have been complemented by new internal platforms enabling collaboration among employees, connecting data and coordinating the various departments of a company (IT, HR, finance, etc.). Already emerging before the pandemic, this trend has been accelerated by it.

Initially, small platforms mainly active in the field of coding and computer science (such as Glitch) or designed for communities of video game players (such as Discord) developed digital tools that went beyond simple electronic messaging to enrich their users' collaborative

experiences. Launched in 2013, the Slack platform was originally designed to allow Glitch developers to communicate with each other. Other collaboration and project management tools were launched, such as Trello in 2011, a tool which allows you to work 'from a skyscraper or a home office'.[5] In such communities, teleworking is an integral part of the culture.[6] Teamwork no longer involves physical face-to-face meetings. It is now based on digital tools set to gradually replicate the entire traditional work environment virtually.

Initially not widely used in the traditional business world, these tools were primarily used by developer communities and online gamers. On launching publicly in 2014, Slack had just 17,000 users. Just one year later, this figure had risen to 520,000.[7] It then went on to acquire Screenhero, a tool not only allowing users to talk to each other, but also to access other users' screens to intervene, modify them, and so on. These features were subsequently integrated into Slack, bringing a new dimension to remote collaboration. According to Ingrid Lunden, writer and editor for TechCrunch, 'it's easy to forget that the person controlling your screen is potentially thousands of miles away'. The inclusion of this feature allowed Slack 'to market its platform to businesses in the customer support vertical, with its voice and screen support powering online help desks'. By March 2016, Slack already had 2.3 million active daily users.[8] The platform continues to add on new services: voice chats, video, and channels to communicate between remote teams.

Faced with this online collaboration David, the Goliath of enterprise computing, Microsoft, started developing its own vision of work and collaboration by building its own digital tools or acquiring other companies. This resulted in applications for file-sharing (SharePoint, a document storage and management system launched in 2001), for business messaging (Exchange), for contacts and networking (Yammer), and video-calling (Skype, acquired in 2011). According to TechCrunch, Microsoft reportedly considered buying its agile competitor in 2016, but Bill Gates chose to develop Skype.[9]

Yet there was a difference between the Microsoft and Slack visions: while the former was conceived as a business collaboration service and stuck firmly to business aspects, the latter was enriched with (inter)personal features, making it look more and more like a virtual workplace where users – colleagues – could not only talk to each other or track the progress of projects together but also discuss things, play games, or order an Uber or Lyft ride.[10] Through its simple strategy of integrating features that allow employees to feel like a team, 'Slack has captured the spirit of businesses in a way that Microsoft and others have not'.[11] In December 2020, after just seven years in existence, the app, now with 12.5 million users and used by 750,000 companies, was sold to Salesforce.

As for Microsoft, it responded with Teams, an application launched in 2017 as Slack's main competitor. The early days were difficult, with Teams only managing to chalk up two million users in the year it was launched. However, riding the COVID-19 wave, Microsoft announced in late October 2020 that the number of active daily users on Teams had reached 115 million[12] in 181 countries.[13] According to CEO Satya Nadella, Microsoft is aiming to expand the use of Teams beyond its historical enterprise customer base to reach so-called frontline workers in industries such as retail and healthcare – workers who do not currently use Microsoft Office but perform functions associated with broader work processes within their companies.[14] Reproducing a 'single workplace' is the ultimate ambition of the Redmond firm.

This virtualisation of workplaces and teams also proved interesting for the social media, including Facebook which officially announced the launch of Workplace in 2016. However, while COVID-19 accelerated the deployment of Workplace, according to its vice president, Julien Codorniou, the number of (paying) users only reached five million at the end of May 2020.[15] Offering products for meetings (HD video, audio, collaboration), chats (instant communication via video and telephone), virtual rooms and workspaces, and video webinars,

Zoom's success story is completely different. It's a story of agility and innovation, according to its chief technology officer Brendan Ittelson[16] and of saving millions of jobs. Videoconferencing and the ability to work remotely during the pandemic are estimated to have saved nearly 3.5 million jobs in the United States, the United Kingdom, Germany, and France, according to a Boston Consulting Group (BCG 2021) study commissioned by Zoom.

The next step could be the one triggered, once again, by the online gaming community: Gemba, a collaborative tool presented as a virtual extension of the workplace.[17] Here, you don't even have to sit in front of a computer screen. All you need is a virtual reality (VR) headset. More than seven million VR headsets are said to have been deployed in businesses during the pandemic in 2020.[18]

Whether via Zoom or Teams, Slack or Workplace, or maybe Gemba tomorrow, today a new layer of virtual organisation is allowing workers to communicate, collaborate, share, co-create, track project progress, and chat around a virtual cup of coffee. In a nutshell, it is possible to work and team up on these platforms, which now offer the full range of functionalities needed to *create a virtual workplace*. 'Proximity' is the keyword in this virtual business world which, paradoxically, allows you to work from anywhere. In other words, this virtual proximity actually allows all forms of remote work and also of outsourcing.

b. The virtualisation of working time

The control of working hours has been at the centre of the social discussions since the 19th century (see, for example, Jarrige *et al.* 2011, for France, and Thompson 1963, for the UK), as have productivity and management. Throughout the 19th and 20th centuries, with further industrialisation driven by new technological breakthroughs and with the dividing line in manufacturing between design and production work becoming ever sharper, the latter started to become scientifically organised, calculated, and controlled. With his famous chronometer, 'Taylor wanted to take control of each movement of each worker' in his quest to increase work productivity (Bouquin 2010).

However, specific working hours are, from a legal perspective, considered as an indicator of the employment relationship by the International Labour Organization (Recommendation No. 198).[19] The fact that work is carried out 'within specific working hours or at a workplace specified or agreed by the party requesting the work, is of a particular duration and has a certain continuity' is to be considered as an indication of an employment relationship (paragraph 13). While the digital transformations of work have enabled the relentless optimisation of the tools for controlling these working hours, they have also made it increasingly difficult to define the limits of working time. Let's take a look at these two paradoxical trends.

Whether working in an office or on the shop floor, there is no longer a foreman or an office manager tasked with supervising and monitoring the respect of working hours or the length of coffee breaks. This in now done by algorithms that keep track of individual and collective working hours, breaks, or periods offline. While Microsoft denies that it wants to control Office 365 users, its MyAnalytics app offers a feature that measures working hours, broken down into four categories – focus, network, well-being, and collaboration – as well as personalised coaching and advice.[20] MyAnalytics algorithms are trained to give workers recommendations to 'get complex tasks done faster', to reduce 'stress and anxiety levels', or to 'reserve time for individual work in your calendar ahead of time'. These same algorithms analyse, for example, the off-peak periods in workers' calendars, suggesting that they block these for the most difficult tasks. They issue warnings saying that 'it can take up to 23 minutes to refocus after checking an e-mail or holding a chat' and suggesting turning off chats during individual work hours. The data used

for these analyses and recommendations is drawn from work emails, calendars, activities such as video calls and virtual meetings, and documents the employee has worked on.

There are many other applications dedicated to the management of working time. ClickUp offers to '[m]anage your time more effectively and stay on-track towards your goals',[21] Timely 'automates company time tracking',[22] Harvest promises to 'help growth-minded organizations make the most of time'[23] and so on. Planning working time, optimising working hours, improving productivity, reminding of tasks to be done, but also controlling, reporting, and analysing the time spent by each team or worker to carry out each task: these functions are all reminiscent of the famous Taylor chronometer but far more sophisticated.

Paradoxically, these new ways of measuring working time are accompanied by an erosion of the very notion of working time, to the extent that it is sometimes difficult to draw a clear line between working and non-working time. Using laptops and other mobile devices, networks, and messaging, increasing numbers of workers are able to perform their work in the evenings, at weekends, on vacation, on the train or subway, or for the luckier ones, on a beach in Hawaii. The notion of time and working hours is tending to disappear in favour of a permanent 'state of work', or one that can be technically activated at almost any time. In Europe, transnational and national surveys have shown that the growing use of mobile devices for work purposes has led to the extension of online availability and working hours, with associated negative implications for workers' physical and mental health and well-being. The European Foundation for the Improvement of Living and Working Conditions (Eurofound) has looked into the implementation of a 'right to disconnect', a right now enshrined in the legislation of four European countries (Belgium, France, Italy, Spain) in addition to being applied via collective agreements in a series of companies, notably in Germany (Eurofound 2021). This is to be seen as an attempt to have salaried work placed within the framework of more or less fixed schedules.

But the platform economy has also helped illustrate the consequences of this erosion of the concept – and therefore the measurement – of working time. Several studies have attempted, with difficulty, to measure the amount of work performed by the population active on digital work platforms. The methodological difficulties encountered by these surveys (for the United States, see Smith 2016 and Torpey and Hogan 2016; for Europe, see Huws *et al.* 2019, Pesole *et al.* 2018, and Piasna and Drahokoupil 2019) and the remarkable disparities in their results reflect *per se* the indeterminable nature of these new forms of work. There is no 'fixed' platform worker status (e.g. full-time or part-time with more or less regular hours). Workloads fluctuate and are sporadic, dependent on many different factors. Many platforms reframe this as 'flexibility' and 'freedom'. Furthermore, some people are to be found working on one or more platforms to supplement their wages or plug end-of-the-month gaps, while others (attempt to) derive the bulk of their income from these platforms (Florisson and Mandl 2018; Schor *et al.* 2020).

Another flexibility is less touted in the narrative of online work platforms: the one concerning the exact definition of working hours. As asked by Countouris and De Stefano (2019) in the case of Uber or Lyft drivers, what defines their working time: is it the time between picking up and dropping off a passenger? Does working time start when a driver logs on to the app? Or does it start from the moment he accepts a booking to the time he drops the passenger off? It is only very recently that courts have begun to address this issue. In its ruling of 19 February 2021, the British Supreme Court held that drivers 'work' within the meaning of British law once they are 'logged onto the Uber app in London available to accept a trip request'[24] and not only when they have accepted the fare and driven to the customer's pick-up location.

This is of fundamental importance, as it contributes to redefining what working time is in an economic model where this notion is in danger of disappearing. Indeed, there are many other similar questions: when a food delivery courier has to wait a quarter of an hour in front of a

restaurant before he can finally take receipt of the order and deliver it to his customer. Can we consider that this waiting time is not to be paid, that it is not work?

Such examples show that the very notion of working time in the 21st century is losing significance, replaced by piecework often dictated, controlled, and timed by algorithms. This lack of defined working hours is a factor of uncertainty for workers, coming, in some cases, on top of the unpredictability of work rhythms and insecurity over the organisation and planning of working hours, and in turn impacting the hoped-for or expected remuneration. The virtualisation of working hours thus has two paradoxical forms: the first is the digital perfection of Taylor's chronometer, enabling us to know everything about the worker's activity second by second; the second is the erosion of the very notion of working time, where the limits of the latter are gradually eroded in favour of a state of work that can be activated at any time.

5. Virtual work and the social model

Almost all historical labour regulations established in industrial countries are being called into question by this virtualisation: working hours, the limitation of working time, workplaces and health and safety rules, and even the worker status and the employment relationship. As we have seen, other (virtual) workplaces and other (virtual) ways of measuring working time, on offer since the 2010s, have been massively adopted during the pandemic by companies to create the conditions necessary to continue work. This transformation is accompanied by a narrative extolling the benefits of virtualisation, in terms of freedom, flexibility, reduced constraints, and simplified work organisation.

Of course, there is still uncertainty over what post-COVID-19 work will look like: will we see workers returning to their pre-COVID-19 workplaces? At present, it is impossible to answer this question unequivocally. Certain sectors and activities will lend themselves well to post-pandemic virtualisation, while others will always – or for a long time to come – require physical proximity. In the medium or long term, we might even observe certain shortcomings and gaps in the digital tools now being massively deployed: while these tools certainly manage to extract more and more work from workers without them needing to be physically present, are they also suitable, for example, for maintaining a corporate culture, individual motivation, team spirit, and a strong relationship and identification with the employing company? A number of companies are taking the gamble and have decided to operate solely virtually,[25] others can hardly wait to see their employees back in the office,[26] yet others are set to go hybrid, resorting to a combination of various forms of work.[27] But one thing is certain: the technological tools widely deployed in the business world are here to stay.

From a labour point of view, and looking beyond the narrative of new freedoms and flexibilities, it seems to us that this comes at a price and induces a risk. The price is the acceleration of various forms of algorithmic management, while the risk involves accelerating the 'platformisation' of tasks, thereby sidelining workers (virtual proximity, physical distance). These two aspects are examined in the following.

a. Algocracy and algoactivism

Employee surveillance and monitoring are no new phenomena. In factories, the figure of the foreman has accompanied all the industrial revolutions since the 19th century. But now the punch card systems and time clocks have been replaced by closed circuit video cameras and email monitoring. Smartphones, tablets, mobile internet, and geolocation have extended monitoring possibilities on an unprecedented scale, not only at the workplace but also away

from it. Ajunwa *et al.* (2017) cite the case in the United States of an employee who was fired by her company in 2015 for refusing to be tracked by an app on her business smartphone which recorded her movements 24 hours a day.[28] Another example is that of the maintenance technicians of a European lift company, who no longer have to go to the office: their tablets give them their assignments in the morning at breakfast, keep track of their movements by GPS during the day, monitor the time worked at customers' premises, calculate the hours worked at the end of the day, and report their hours and any overtime to the payroll system (Degryse 2016).

In so-called smart factories, yesteryear's foremen have been replaced by smart machines telling the workers what to do, in what order, and by when. This is notably the case in the smart Bosch Rexroth factories or at Amazon,[29] which now entrusts algorithms with the task of dismissing workers who are insufficiently productive.[30] Even before workers are taken on, algorithms are used to pre-select candidates for hiring. And once they are on board, algorithms can be used to fire them.

Moreover, the roll-out of virtual workplaces and digital collaboration tools is providing the companies that develop them with a phenomenal wealth of data, unavailable to their competitors. Via Teams and its related applications, Microsoft has now gained insight into the daily work habits of tens of millions of workers. The analysis of this data and of the way workers use these digital tools makes it possible, first, to design new behavioural indicators and, second, for the company to strengthen its position to develop new digital services. Microsoft is already working on ways to provide managers with information on how their digital workforce is performing, according to Jared Spataro, head of the Microsoft 365 service.[31] In his words, it is only a matter of collecting aggregate data, not individual data, for monitoring purposes.

But the prospect of marrying such data with artificial intelligence systems and algorithmic management gives rise to concerns. As already seen with online work platforms, such algorithmic systems are able to perform almost all management functions without explicit human intervention. On certain platforms, an algorithm will propose the task to be done, set the deadline for its execution, set the remuneration, assess the work carried out, rate the worker, pay the worker, and if necessary, disconnect the worker if they have not complied with the general conditions of the platform or if the quality of their work is deemed insufficient.

Kellogg *et al.* (2020) have grouped the functions of such algorithmic management under what they call the six Rs: management may use algorithms to direct workers by restricting and recommending, evaluate workers by recording and rating, and discipline workers by replacing and rewarding. Beyond these surveillance, assessment, and disciplinary functions, these systems are capable of tracking workers' physical and mental health, monitoring their attitudes and behaviours, and being used for anti-union purposes (De Stefano and Taes 2021).

Such algorithmic management (Duggan *et al.* 2020, Data and Society 2019) can be seen as the implementation of an economic system that 'works by itself', a vision dreamed up in the early 20th century by Arthur Salter.[32] It is a system that no longer operates on the basis of *organisations* but *organisms* – or even, in Kenney and Zysman's (2016) more recent analogy, algorithmically self-regulating *ecosystems* (not forgetting that they are programmed by humans). From a work perspective, such an ecosystem seems to do away with the position of the employer. Or should we say that this management position is now hidden behind a new way of exercising power. Several years ago, the sociologist Aneesh came up with the concept of algocracy, a system of managerial governance by algorithms (Aneesh 2009). In his view, algocracy is a way to facilitate global integration of work, doing away with bureaucratic hierarchies.

But though physical employers seem to seek to conceal themselves in these algocratic ecosystems, paradoxically the degree of constraint and discipline of workers is increasing proportionately. Looking back in time, workers have always managed to develop strategies to circumvent

or avoid the introduction of new management methods that tend to limit their autonomy, initiative and responsibility (Feynie 2013). In some cases, these strategies may be more or less tolerated by management, who may consider that they allow a certain level of confidence to be maintained as long as the set targets are achieved. In an algocratic ecosystem, such a 'tolerable' form of flexibility is out of reach: workers' autonomy, initiative and responsibility are sacrificed at the altar of algorithms extracting the maximum amount of work out of them. While the physical employer fades away into the background, discipline is tightened.

The individual and collective consequences of this transformation are numerous. At an individual level, the implementation of a surveillance model without limits and without negotiable room for manoeuvre can lead to a breakdown in trust: workers will be called upon to justify any deviation from the instructions of the AI systems, possibly leading to increased work-related stress and a sense of disempowerment, as shown by Mateescu and Nguyen (Data and Society 2019). Alain Supiot speaks of workers' double denial of their humanity: the 'denial of thought', which 'consists in organising human work on the model of that of animals or machines, without the possibility of reflexive expression on the meaning and content of this work', and the 'denial of reality', which 'consists . . . in emptying this work of any contact with the physical or social world in which it operates, chaining it to the achievement of numerical targets' (Supiot 2019: 24).

At a collective level, this form of doing away with the physical employer and strengthening discipline leads to a weakening of the collective dimension of work. The historical social model of the company with its employee representatives and collective bargaining is bypassed in favour of a model where the employment relationship is intermediated by artificial intelligence and algorithms (OECD 2019). It was this finding that led Valerio De Stefano to plead for 'negotiating the algorithm', for putting this algocracy at the centre of collective bargaining with workers' representatives. According to him, 'workers' representatives and unions must be involved in the decision-making that leads to the definition and implementation of algorithms' (De Stefano and Taes 2021). Any refusal to do so would be tantamount to doing away with collective bargaining in the form enshrined in ILO Convention 154.[33]

Kellogg *et al.* see the emergence of new forms of resistance, which they call algoactivism. These seem to constitute the transposition into the algocratic ecosystem of the traditional strategies of opposing new management methods. Such strategies include the use of non-cooperation tactics, such as deliberately ignoring algorithmic recommendations, circumventing analysis systems, challenging data, criticising the methods used to construct the systems, and even manipulating variables to influence the results. Uber drivers have, for instance, developed data retention strategies by disabling driver mode in certain circumstances or repeatedly logging out, thereby not providing input to the algorithmic systems or influencing their data upstream (Lee *et al.* 2015, cited in Kellogg *et al.* 2020).

While we are seeing that algocracy is beginning to give rise to resistance strategies and to the need to negotiate algorithms collectively, we are still very far from any form of regulation. Even the European Union, known for wanting to be at the forefront of regulating Big Tech,[34] does not seem to be in any hurry to regulate the technological aspects associated with the world of work. In its proposal for an Artificial Intelligence Act, presented on 21 April 2021 (European Commission 2021), the issue of high-risk AI-driven workplace applications is hardly touched on at all. As one MEP puts it,

> Annex III lists high-risk applications, including those that monitor and evaluate workers' behaviour and performance, those that control the time a worker spends in front of the computer when teleworking, or even assess their mood by detecting emotions

> when making calls. According to article 43, detailing the conformity assessment procedures to follow, this and other sensitive applications can undergo an internal conformity assessment (or self-assessment) instead of a third-party one. Regulating so loosely a practice so invasive for workers' rights can be very dangerous.
>
> (Benifei 2021)

b. Platformisation

'If this work can now be done on a screen, it can also be done on the other side of the world'. This is the new 'law' that workers throughout the world are now having to live with. The virtualisation of the world of work *de facto* allows the global integration of work (notwithstanding cultural and linguistic barriers). The online work platforms have led the way. Of course, not all tasks can be performed remotely, as shown by the many location-based platforms of the gig economy (deliveries, home care, cleaning, domestic work). But the web-based platform model has allowed the outsourcing of significant numbers of tasks performed by so-called crowdworkers or ghost workers (Gray and Siddharth 2019), constituting what O'Connor has called a *human cloud* (O'Connor 2015) made up of millions of workers who perform different tasks day in and day out (Casilli 2019, Abdelnour and Méda 2019) and whose working conditions are sometimes very precarious (ILO 2021).

This online platform work model is being adopted by traditional firms to outsource certain non-core tasks, including white-collar ones. The question is how far this form of outsourcing will develop in the years to come; there is a possibility that the pandemic will convince a growing number of companies to reduce their core workforce and develop a shadow workforce of digital freelancers.

To our knowledge, there is insufficient data (or none at all) by company, sector, or type of task to support this observation. An expert report for the European Commission proposes requiring platforms to register with national authorities and to provide data to an appropriate authority with a view to preventing undeclared work (Kilhoffer *et al.* 2019). However, in the absence of such data, this debate seems more political, even ideological, than evidence-based. Some authors are certain that the platform economy will not only grow but eventually absorb the traditional firm.

> If the [transaction] costs of exchanging value in the society at large go down drastically as is happening today, the form and logic of economic entities necessarily need to change! . . . A very different kind of management is needed when coordination can be performed without intermediaries with the help of new technologies. . . . Apps can now do what managers used to do. . . . The Internet is nothing less than an extinction-level event for the traditional firm.
>
> (Kilpi 2015)

This quite radical view is tempered by other authors who observe that traditional companies may indeed use online work platforms as opportunities to outsource large amounts of work, though without them disappearing. This is already true for such tech companies as Microsoft, Facebook, and Google but also for non-tech firms such as General Motors, Costco, Philips, Hyatt Hotels, and BMW. However, the authors note that more and more industries are becoming platformised: from agriculture to education, via energy, finance, healthcare, gaming, local

services, logistics, media, retail, delivery, transportation, tourism, and so on (see, *inter alia*, Parker *et al.* 2016, Accenture 2017).

On the occasion of the vote on Proposition 22 in California,[35] investor Shawn Carolan praised the digital platform work indirectly promoted by this vote, imagining all that this form of work could make possible. 'Workers in all sorts of industries – from agriculture to zookeeping – could benefit from the structure that Prop. 22 provides, if it were extended to them. I think it could work for basically any industry where an ongoing relationship with a single employer isn't essential to do the job well'.[36] The centre for corporate start-up collaboration, The Heart,[37] notes for its part that as remote work becomes mainstream, it opens up opportunities 'to leverage an uberized workforce from local markets' (Deloitte 2021).

Among the Big Tech companies, this form of work uberisation has been in use for a long time, for example at Microsoft or Google: 'At Google, similarly to other tech giants, the shadow workforce of contractors now outnumbers its pool of 135,000 full-time employees and includes roles in engineering and management but without access to the same benefits'.[38] Another indication of this transformation, especially since the pandemic, is that the online work platform Upwork, which sells itself as 'the world's largest work marketplace that connects businesses with independent talent', saw its turnover increase by 24% in 2020 alone.[39]

While it remains difficult to predict the exact extent to which this platformisation phenomenon will take place in the medium or long term, current trends lead us to question the effects of the algocratic ecosystems which enable and facilitate it. These trends raise the question of a growing divide between a company's core workforce and the shadow teams of platform workers. Will management and HR functions serve teams of core employees without assuming responsibility for the ghost freelancer workforce (Duggan *et al.* 2020)? Will we see a further dualisation featuring, on the one hand, small teams of core employees enjoying a range of benefits and, on the other, a host of 'free and flexible' freelancers, able to work for and change platforms whenever they want, but with no defined working hours, no suitable workplace, no protection against accidents and occupational illnesses, no collective labour relations, and of course no possibility of negotiating pay? Such new forms of organising work lead us to question the recognition of joint and several liability between companies and platforms for certain employer obligations.

Another induced effect for platform workers is that the 'disappearance' of the physical employer goes hand in hand with the disappearance of the collective dimension of work. Platform workers may be shadow virtual teams in the eyes of user companies, but they do not see themselves as teams. While there is a lack of data to support this observation, it appears that many platforms do not provide interpersonal communication tools for their workers to interact with each other. For example, giving platform workers the opportunity to meet (virtually or not) and to communicate and exchange via a dedicated forum either on the platform or in the real world, via for instance a dedicated co-working space, would make it possible to develop this collective dimension of work, this team spirit. Such a dimension can also have the function of expressing collective points of view on the work and the associated working conditions to the platform's managers and of partially rebalancing the work relationship. Traditional union strategies find themselves confronted with new difficulties in the virtualised world of work: the difficulty to organise scattered workers, formulate structural claims in the face of such 'liquid' work (Degryse 2020), identify the employer, and so on.

Such a rebalancing appears necessary in view of the average level of remuneration for platform work (Berg *et al.* 2019). Through increasing the size of their potential workforces, platforms are also increasing competition among these workers for each task at hand. This surplus of supply over demand allows them to keep pay low, and as these workers are considered to be

self-employed, they are unable to collectively negotiate their fees, for fear of being accused of anti-competition practices or cartel-building.[40]

c. Rebuilding the collective

The collective dimension of organising, representation, and bargaining has historically led to significant improvements in working conditions. It has long been known that job satisfaction is determined by factors such as task identity, task significance, feedback, the variety of skills, and autonomy (Hackman and Oldham 1976) but also by the mechanisms of social dialogue, formal and informal discussions, consultation, information, and negotiation implemented in most industrialised countries. All these factors contribute to making work 'truly human', according to the preamble of the ILO Constitution.

However, the world of digital work would seem to be eroding this collective dimension, as seen for example with certain work platforms that do not give virtual 'colleagues' the opportunity to meet and discuss things with each other. In recent years, this need for a collective has been reflected in various forms of social experimentation, particularly in the platform economy. Examples include forms of workplace structuring, the creation of 'virtual places', such as internal fora allowing workers to network, exchange information with each other, and give each other advice – see, for example, Online Filipino Freelancers, a Facebook group[41] followed by several thousand Filipino freelancers, or Turkernation's Slack Workspace[42] and We Are Dynamo, an initiative offering a platform for collective action to Amazon Mechanical Turk workers (Salehi *et al.* 2015). Alternative forms of action to the historical trade unionism are developing – for example, in the form of the Freelancers Union, which provides its 500,000 members, who are self-employed workers, with 'a support system and voice through policy advocacy, benefits, resources and community'[43] – without however negotiating collective agreements. This is also the case with Working America, an organisation with three million members without a union in their workplaces. Affiliated to the AFL-CIO, the group is fighting in particular for a minimum wage for precarious workers and especially for those working in the gig economy.[44] A further example is the Independent Uber Guild (IUG), which is trying to unite Uber and Lyft drivers in fighting for the right to collective bargaining, seen as 'the only way to stop the exploitation and give drivers the power to negotiate better work conditions themselves'.[45]

In the UK, the Fairwork Foundation, set up by the Oxford Internet Institute (OII) and Oxford University, was inspired by NGO Fairtrade campaigns.[46] The aim of the Fairwork campaign is to promote the certification of platform economy production networks, to highlight good and bad working practices in the hope of getting consumers – platform users – to help improve working conditions. In Germany, following on from the Turkopticon initiative,[47] the IG Metall metalworkers' union, together with the Swedish Unionen, the Austrian ÖGB, and the Austrian Chamber of Labour (AK), has launched Fair Crowd Work,[48] a website aiming to make assessments of digital work platforms public. Assessments are based on criteria relating to working conditions (the possibility of clients refusing payment, unilateral changes in the terms of use, contact with customers and with workers, etc.). This website allows workers to learn about the 'social reputation' of a dozen online work platforms, including Amazon Mechanical Turk, Upwork, ClickWorker, and CrowdFlower.

In 2018, a YouTube content creator, Jörg Sprave, set up the embryonic YouTubers Union (YTU),[49] also supported by IG Metall, with the aim of representing content creators and negotiating the algorithms which determine the placement of videos and which, in some cases, demonetise them without consulting creators. In Spain, an agreement reached in March 2021 between social players and the Ministry of Labour on delivery platform workers includes access

to the platforms' algorithms.[50] For its part, the European Trade Union Confederation, the umbrella organisation of national trade unions on the European continent, has launched its Digital Platform Observatory with the aim of developing new forms of representation and dialogue with platform workers.[51] Vandaele *et al.* (2019) note that in recent years, bridges have been built between autonomous courier collectives and historical unions.

Certain organisations have provided premises for platform delivery drivers and couriers to swap experiences, help each other, and discuss problems encountered in their work. Gig work platforms could themselves take inspiration from these experiences to provide co-working spaces in cities where workers can meet, take breaks, organise their work, go to the toilet, wash their hands, swap tools, or simply take shelter from bad weather. Such co-working spaces or other types of infrastructure providing basic facilities could also help crowdworkers emerge from their isolation where possible and desirable, allowing them to benefit from some form of workplace in which they can meet up with colleagues, swap experiences, and organise themselves.

In some European countries with a strong tradition of collective bargaining (Germany, Austria, Sweden, etc.), couriers working for the Foodora platform have managed to set up work councils. A Danish trade union (3F) has negotiated and signed a collective agreement with a digital platform for home cleaning services (Hilfr)[52] which provides, *inter alia*, the possibility for workers hired as freelancers to become employees after completing 100 hours of work. Other – still rare – examples of collective agreements have been signed for Italian Laconsegna couriers with the trade unions Filt CGIL, Fit CISL and UILtrasporti and for Swiss Swissmessengerlogistic couriers with Syndicom.[53]

Finally, the emergence of 'alternative' trade union organisations in Europe specifically addressing precarious workers should also be noted. Examples include the IWGB (Independent Workers Union of Great Britain) founded in 2012, a union specifically defending precarious migrant workers, and the German DeliverUnion,[54] an organisation of Foodora and Deliveroo couriers set up in 2016 by the revolutionary FAU (Freie Arbeiterinnen- und Arbeiter-Union). As for the historical unions, they are beginning to open their doors to the self-employed. A number of them have set up comprehensive structures for freelancers (the Spanish UGT,[55] the Dutch FNV, the Italian CISL, etc.) or more simply services to provide specific help and advice to the self-employed (IG Metall and Verdi in Germany, ÖGB in Austria, Unionen in Sweden, CFDT and CGT in France, CSC in Belgium, etc.) (Fulton 2018).

Often still in their infancy, these examples do not (yet) provide answers to all questions. But even so, they do show how the collective dimension is key to improving working conditions.

6. Conclusions

In the industrialised countries, labour law and legislative and contractual regulations have been progressively developed on the basis of people working in companies and factories – that is, bringing them together in a specific place, for a specific period of time, and in the context of a specific production process. These unities of place, time, and action form a social model featuring the limitation of working hours, fixed work schedules, prevention of accidents and occupational diseases, and prevention of psychosocial risks, but also the organisation and collective representation of workers and collective bargaining with employers.

This model underwent major upheavals in the second half of the 20th century in the face of the progressive globalisation of production (development of value chains, subcontracting, subsidiaries, and subordinate companies). It is now undergoing a second wave of upheavals linked to various forms of work virtualisation: digital outsourcing *via* the development of online work platforms, the human cloud, gig work and cloudwork, and since 2020, a major acceleration of

remote work, facilitated by the rapid deployment of digital tools allowing work to be performed anywhere, at any time. Artificial intelligence and algorithmic systems are now in charge of organising this virtual work, controlling workers, disciplining them, and even replacing them.

In this transformation, the employee-employer relationship is starting to melt away; the physical employer is dissolving into algorithmic management, leading to a risk not so much of a jobless future but of a bossless future where workers become free and flexible but subject to a flawless algocratic discipline hiding employers and clients alike. One of the key risks of this transformation is the disappearance of the collective dimension of work, possibly leading to new imbalances in the relationship between workers and those from whom they receive their orders. The unities of place, time, and action are also disappearing, with the collateral effect of indeterminate working hours, no occupational health and safety rules, and an increase in psychosocial risks.

Numerous social experiments in industrialised countries are attempting to rebuild the collective dimension of work in this digital economy, a *sine qua non* for any rebalancing of the power relationships. In these experiments we are seeing workers seeking to reappropriate virtual collective places via social networks or new forms of organisation where they can exchange information, advice, and experiences – as well as draft their collective demands. With the new virtualised forms of work now also taking hold of traditional firms, one of the challenges of the future will be to rebuild this partially fragmented collective. Perhaps these experiments are the precursors of a social model adapted to the virtualisation of work.

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Notes

1 According to the (controversial) numbering of the 2016 World Economic Forum in Davos (www.weforum.org/focus/fourth-industrial-revolution?locale=en&page=216).
2 According to French philosopher Pierre Musso (2017), a precursor of this 'new' organisation of industrial work was to be found in the monasteries that collectively structured work (and prayer) in Europe in the Middle Ages. Indeed, one could already detect there these unities of place, time, and the collective organisation of work. Industrialisation was to take this phenomenon out of the monasteries and generalise it.
3 Statement of an Uber spokesman, 29 April 2021 (www.reuters.com/article/us-usa-labor-exclusive-idUSKBN2CG1ZS).
4 In Germany, for example, the issue of trade union representatives having virtual access to teleworking employees in companies is a subject of disputes between trade unions and certain employers, such as Adidas (Planet Labor, Article No. 12431 of 23 March 2021).
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6 'We have a strong remote work culture where all of our meetings are online and apps and tools like Slack and Google Hangouts are the normal way we communicate' (https://glitch.com/about/company).
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8

BEYOND FORMALITY

The informalisation and tertiarisation of labour in the gig economy

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1. Introduction

The debate on the platform gig economy is often focused on its disruptive characteristics within the new cognitive capitalism, disintermediating labour relations and challenging labour regulation and protection. On the contrary, in this chapter, we adopt a long-term perspective, based on historical capitalism, defined as a concrete time-space system of production activities oriented to endless accumulation (Wallerstein 1983: 18). According to Braudel (1982), the true essence of capitalism is 'the anti-market', characterised by international trade chains strongly hierarchical and monopolistic, with scarce transparency, absence of product specialisation, 'unlimited flexibility' and 'capacity for change and adaptation' (p. 433). In this sense, platform capitalism is developing in continuity with the anti-market layer of capitalism with its characteristic trend to monopolisation, opacity, and cultures of systematic regulatory evasion (Peck and Philips, 2020). Informalisation is an ambivalent and structural component of historical capitalism, that from time to time allows for labour costs reduction, market expansion, and the provision of alternative household incomes. We argue that the platform economy represents the latest backlash of 'informality' within capitalism, in the continuity between old and new forms of labour.

Since the 1970s, the link between informality and tertiarisation laid the ground for the dematerialisation of the economy as a means of accumulation, following the crisis of profitability in Fordist capitalism (Lash and Urry 1987; Harvey 1990; Mingione 1991). On the one hand, the shift to a labour-intensive and low productivity economy based on 'relations of service' and intangible goods amplified the spaces for commodification (with a constant invention of new needs and the proliferation of segmented markets); on the other hand, it trapped the economy in the so-called 'costs disease' issue (Esping-Andersen 1999). We argue that the rise of the platform economy can be seen as a response to the need to maintain profitability and to contain costs, through Onlife service work – as a way to devaluate and disappearing labour through commodification of our intimate space, relations and emotions, and algorithmic forms of labour control, giving space to regulatory loopholes and new forms of capital accumulation and value extraction.

In the next section, we will analyse the role of informality within the historical capitalism, showing the link between informalisation and housewifization. In Section 3, we will focus on the implications of the turn to a service economy from the 1970s onwards. Then in Section 4, we will show how these long-term dynamics are translating into the platform economy. Finally, we will try to provide some conclusive remarks.

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2. Informality and housewifization

Informalisation can be described as a process of elimination of forms of control, standardisation, regulations of economic activities, companies, and work. The formal and informal represent a continuum, within which workers and/or firms experience multiple and different degrees of informalisation (or formalisation) that vary according to their position in the global production/distribution chain.

In a seminal article, Hart (1973: 63) pointed out that 'the distinction between formal and informal income [is] based essentially on that between wage-earning and self-employment. The key variable is the degree of rationalization of work. . . . The remainder – that is, those who escape enumeration – are variously classified urban as "the low-productivity urban sector", "the reserve army of underemployed and unemployed", "the urban traditional sector", and so on'.

This definition recognised an autonomy and specificity of informality, despite trapping it in a dualistic approach, where the informal economy was defined by subtraction from the formal one, and it became synonym for poverty and marginality. Here, informality represents a pre-modern and residual phenomenon of the backward and developing regions, or typical in peripheral sectors of the labour market, bound to disappear though the modernisation process (Chen 2006). However, this prediction proved to be wrong: informality has grown over the years, showing a great complementarity between the formal and informal economy (Pahl and Wallace 1985; Portes et al. 1989; Guha-Khasnobis et al. 2006). Many informal activities are produced by the formal economy as unintended consequences of increased regulation and bureaucracy or as a way to escape control (Lomnitz 1988). In addition, informality plays a subsidiary role in the complex economic network, where formal segments are linked to the informal ones. In this case, it functions as a 'safety valve' to increase flexibility, contain costs, improve profitability, or expand markets, as already demonstrated in the 1980s by studies on industrial districts (Capecchi 1989) or by the analysis of value chains in urban contexts (Portes and Sassen-Koob 1987).

Breman and van der Linden (2014: 928) suggest that even if levels of informality remained diverse and heterogeneous in time and space since the mid-1970s, we can now witness a restructuring of capitalism in a 'new labour regime of informality/precarity'. This new regime characterised by flexible and decentralised networks of production – spread in unstable and endless chains of subcontracting and outsourcing, with multiple intermediaries and no control – includes different forms of unstructured and fragmented work. The processes of flexibilisation of labour (both of contract, schedules, tasks, and workloads); casualisation up to the replacement of waged work with self-employment and home work; and segmentation across age, gender, and ethnic boundaries had the main effect of dropping labour costs and individualising social risks (Castells and Portes 1989: 31).

However, informalisation is neither a specificity nor an anomaly or an accidental outcome of contemporary capitalism. It needs to be rethought as a process embedded in the *longue durée* of historical capitalism (Tabak and Crichlow 2000). According to Tabak (2000: 4–5) 'the casualization of labour again functions as a countervailing force of full-lifetime proletarianization'. The dilution of proletarianisation within the dynamics of informalisation through 'an ocean of nonwage and casual labour' (ibid.) has at the same time hidden but also mitigated a growing vulnerability of the marginal and lower social classes. Informality is both a space of survival and a resistance strategy and a possibility of social mobility through individual entrepreneurship (de Soto 1989).

Informalisation strategies and informality play a double role in historical capitalism: constant (permanent) and cyclical (Broad 2000; Tabak 2000; Peterson 2010). Its constant role has

enabled processes of capitalist accumulation thanks to the possibility to unload the costs of 'reproduction' of the labour force outside of the productive circuit. These costs are then internalised by family and/or community networks through reciprocity. If we shift the focus from the individual worker to the household and how it procures its livelihood, it emerges that 'the location of wage-workers in semi-proletarian households has been the statistical norm' and 'the production and reproduction of labour power have always been based on a mix of wage-labour with non-valorized domestic, rural and artisanal labour' (Broad 2000: 31).

The cyclical role of informalisation is linked to recurrent falls of profitability and 'bottlenecks of accumulation' of historical capitalism. These criticalities are overcome both by cost-compression strategies through informalisation and by further commodification processes in space and time that create new opportunities for value extraction (Wallerstein 1983). Consequently, in the new regime of flexible accumulation started in the seventies (Harvey, 1990), the growing competition in the global market pushes labour cost further down and jeopardises Fordist work.

The housewifization concept, as raised by the feminist debate, highlights a process to achieve the goal of cost reduction by masking labour within the home, with the result of devaluating it. This concept helps to raise awareness of the implications of home-based work about the central role of (mainly or exclusively female) reproductive activities (as unpaid domestic and care work, but also self-provisioning and do-it-yourself activities) in subsidising (male) waged work and capitalism (Dalla Costa and James 1972; Mies 2012). Picking up on these authors, Mezzadri (2020) notes how the naturalisation of reproduction as a 'non-value' has ended up hiding labour, reducing women to 'housewives' and depreciating the cost of women's labour. This is evident, for example, in the global garments supply chains, a 'sweatshop regime' connecting the Global South and the Global North, in which the surplus is extracted through mechanisms of casualisation of factory work, the costs of which are passed on to semi-proletarian households, through both rural-urban mobilities of precarious and seasonal workers (who return to their communities during periods of non-work) and the subcontracting chains incorporating the underpaid home-based work.

In the imaginary of the 'house', the boundaries between production and reproduction become blurred and overlapping, and the cost of labour goes down, to the point that a series of labour activities become free and unpaid; they are not recognised as producing value but are rather relegated to everyday life. But this is not just a women's issue. As Mies (2014:16) provocatively points out, contrary to Marx's predictions, it is not proletarianisation but housewifization that expands, representing a 'prototype for the optimal exploitation of the labour force everywhere', including males: 'workers in the informal sector, like housewives, have no lobby and are atomized'.

The spread of housewifization is possible only in a 'semiproletarian extended household, benefitting from income earned or goods produced (subsistence production, petty commodity production, rent) by other members of the household or by the wageworkers at other times' (Wallerstein 1983: 21).

3. Informalisation and tertiarisation

Since the 1970s, the growing phenomenon of informalisation has intertwined with the process of tertiarisation. While the latter is often described as a shift from goods to services production, in this article it refers to a discovery and enhancement of intangibility or immateriality that affects all goods to a greater or lesser extent, which become increasingly inseparable from 'relations of service' (Lazzarato 1996; 1997), as we will explain throughout this section.

The shift to intangible and service relationships presents some problems clearly highlighted by marketing, interested in the practical aspects of how to sell an intangible asset. According to Levitt (1981:2 and following), what is sold now are promises of satisfaction 'tangibilising' the good in its presentation (impersonal and personal) or packaging or other marketing efforts 'that become surrogates for the tangibility that cannot be provided or experienced in advance'. At the basis of the possibility of making the intangible tangible (Reddy et al. 1993), there is the relationship: on the one hand, the intangible goods are necessarily highly people-intensive; on the other, a relationship always contains an irreducible dimension of unpredictability.

The key to tertiarisation is that the product (good or service) and the relation that brings it into being are produced simultaneously and become inseparable (during production, promotion, sale, and fruition). This shift on service relations produces new spaces of commodification. The dematerialisation of goods multiplies them potentially to infinite levels: everything can be commodified, including the person and its networks, and the production of subjectivity and social relations become means of capitalist accumulation. Nevertheless, tertiarisation gives rise to a series of paradoxical issues that plague contemporary capitalism:

- The question of service relations
- The paradox of productivity
- The problem of controlling

The following issues will be explored in the next paragraphs.

3.1 Relations of service: life at work

Tertiarisation expresses the rise of relations of service rather than a simple growth of services as a sector. It means 'putting life to work', commodifying the immaterial and cognitive spheres and moving 'from the capital-labour to the capital-life relationship' (Lazzarato 2004: 204).

Work becomes an activity that relies more on skills and capabilities, especially focused on processing information, shaping and sharing knowledge through technological and communicational tools. These skills and knowledge would develop less and less within codified training courses but through the accumulation and selling of *biographical capital* (Delory Momberger 2010), based on the engagement in productive relationships, developing coherent human and professional projects, activating processes of personal branding of subjective resources.

Putting life to work also means breaking the boundaries between work and non-work, creating redundancies in which private and work life as well as production and consumption intertwine, exchange, and overlap. This point is very important: in a relation of service, producer and consumer are expected to co-produce together, cooperating. The distinction between producer and consumer becomes more blurred, to the point that one can be both simultaneously, creating a paradox. Distinguishing what is work and how much work there is becomes more and more difficult, to the extent of making it impossible to measure productivity. The result is the possibility of devaluing work altogether to the point of the paradox of free work.

In the service economy, a large proportion of activities are masked as 'non-work' and carried out 'for free' by the worker, without even realising it: these are 'part' of his/her daily activities, in which work time and life time coexist. This surplus value reappropriated by the capitalistic accumulation is extracted without the worker noticing from 'his/her' daily time.

These aspects find full fulfilment in home-based work, where boundaries between work time and life time disappear. The process of housewifization is therefore intimately connected to that of tertiarisation.

3.2 The paradox of productivity

In 1967, Baumol observed the so-called paradox of unbalanced productivity growth: the gap of productivity in services production causes the so-called cost disease – that is, 'the prices of services (as compared to the prices of material products) grow continuously' – and this rise 'leads to a decline in the demand for and consequently to a decline in their production' (Palócz 1988: 174).

Baumol distinguished between progressive and unprogressive sectors based on the flexibility of their productivity levels: in progressive sectors productivity increased rapidly due to capital investment and organisational and technological innovations; in non-productive sectors, productivity remains constant or grows very slowly because in these activities, 'the labour is an end in itself, where quality is judged directly in terms of amount of labour' (Baumol 1967: 416). The high dependence on manual labour (which is nothing more than living labour) does not allow for increased productivity, except at the expense of a decline in quality. Baumol provides a number of practical examples from a wide variety of industries as education, live performance, or retail sales, where many innovations (self-service, self-provisioning, pre-wrapping, etc.) 'have all increased the productivity per man. . . . But ultimately, the activity involved is in the nature of a service and it does not allow for constant and cumulative increases in productivity through capital accumulation, innovation, or economies of large-scale operation' (ibid.: 420).

Esping Andersen (1999: 103) identified three dilemmas in the new service economy:

> the first derives from a rarely recognized, inherent characteristic of services themselves: the more we expand the tertiary labor market, the larger is the share of low-skilled services. The second comes from the well-known 'Baumol cost-disease' problem in services. . . . And the third derives from households' economic choices and, in particular, from women's choice to work for pay.

These dilemmas are connected: on the one hand, one can notice the growing participation of women in the labour market, stimulated by the increasing precariousness of work and the pluralisation and de-standardisation of life cycles (Mingione 1991) and de-familiarising those care services that were previously self-produced within the family and were traced back to the 'reproductive' (unpaid) work of women. On the other hand, all service activities suffer from the cost disease but the low-skill activities (the most common) pay the worst consequences. In highly deregulated economies, such as in the United States (where there was high employment growth in services), the 'Baumol cost-decease' is contained through the market: the variable labour costs adjust to productivity differentials; however, this leads to 'growing pay inequality, declining real wages, and a swelling army of the working poor' (Esping Andersen 1999: 95). The paradoxical outcomes of the cost disease, already pointed out by Baumol, could be the disappearance of more stagnant productivity markets, 'simply because no one would be willing to perform them at earnings that correspond to relative productivity' (ibid.: 111).

However, before arriving at this paradox, productivity gaps are basically addressed by containing labour costs through informalisation and displacement of work (e.g. by relocating to other countries or drawing from the reserve army those who are willing to accept lower wages). Castells and Portes (1989: 30) already noted the contradictory effect of informalisation process on productivity: in fact, labour productivity decreases because informal activities are predominantly service and labour-intensive activities, with less use of technology; however, capital productivity increases due to the reduction in the weight of the 'bureaucratic structure of large-scale organizations'. There is an ironic circularity between tertiarisation and informalisation: the more activities become tertiarised, the more they are likely to become informalised.

In this scenario, the recent push towards the platform economy represents a further means to contrast the problems of the cost disease and stagnant productivity in a tertiarised economy.

3.3 The problem of controlling

The shift to service economy characterised by high intensity of living labour implies the loss of standardisation, controlling, and predictability, typical of Fordism. Therefore, how to contain the uncertainty and discretion related to the relations of service and living labour becomes an issue. Although the Fordist factory was a bureaucratic and expensive large-scale organisation, the problem of controlling was solved by three complementary paths: Taylorism (the division of labour into simple tasks and specialisation), assembly lines which allowed for the scheduling of working time, and the replacement of workers with technology and machinery whenever feasible. Even though the Fordist factory model was partly abandoned in favour of a more flexible production model – increasingly based on informal and casual work – these three paths continue to be useful, even to standardise service relationships.

Levitt (1981) suggested some strategies to minimise 'the impact of human factor' through different degrees of industrialisation of service, introducing hard, soft, or hybrid technologies capable of replacing manual-intensive activities or at least stiffening them in new forms of Taylorism and assembly line. There are several examples that show how manual work was replaced by machinery to different degrees: (1) devices such as self-supermarket checkout or the automatic telephone reply; (2) the rigid framing of manual or intellectual work within an assembly line, in which tasks, duties, and timings are marked by equipment or technology, such as in the case of a fast-food worker preparing cheeseburgers and portioned French fries or the instance of a call centre worker conducting a telephone interview; (3) the meticulous description of the sales techniques used to train clerks of the large retail chains, which codifies how the sale (and its relations) must take place with a high taskification of service work.

In a nutshell, formalising the informality becomes a strategy to contain the problem of controlling. This is an interesting passage: the informalised and deconstructed service work needs to be rescheduled within a sort of digital Taylorism (Rideut 2008), in which tasks, duties, and activities are identified and whose execution is strictly monitored. The algorithmic management and the absence of a boss are part of how control is changing. At first glance, it may seem contradictory that service workers are asked both to put themselves to work, using biographical capital, autonomy, transferable skills, and to perform a series of tasks trackable, according to a more or less obligatory order and time. In fact, this paradox consents to weld the devaluation of labour resulting from the process of informalisation with the standardisation and routinisation characterising the old Fordist work, as it will continue to be also in the platform economy.

4. From informalisation to platform gigs

As we have explained throughout Section 2, tertiarisation is pushing for a stronger valorisation of informality. Digitisation pushes forward the tertiarisation process through dematerialisation of physical goods that are increasingly replaced by applications or digital assets (encyclopaedias, CDs, DVDs, etc.). Furthermore, the concept of physical appropriation is replaced by that of accessibility: a product is no longer sold for private ownership but for the possibility of using it for specific ends. In fact, with digitisation the distinction between manufacturing and services appears to be largely overcome by a new paradigm defined as product-as-a-service (PaaS) (Kowalkowski et al. 2017), in which product and service represent an integrated system in which the materiality of the first assume an ancillary connotation. Furthermore, whole ecosystems of

services can be developed around a product enhancing the tertiarisation process and the service relations. Therefore, platforms should not be seen as a simple technical infrastructure but as a new organisational model within the PaaS paradigm, where the boundaries between material and immaterial and between virtual and real become more blurred. Platform designs new paths for informality and tertiarisation, stressing the long-rooted trends towards housewifization of the service relation.

Such paradigm shift is shaped by the platform revolution (Parker et al. 2016) as a transition from the networked-firm typical of the flexible production to the Möbius firm (Stark and Watkins 2018). In Möbius firms, production is based on a co-optation of resources and actors without any formal or informal alliance, following a broader logic of outsourcing that goes beyond a limited and consolidated network of suppliers and specialised subcontractors. Therefore, we speak of crowdsourcing or crowd-based production (Howe 2009). Platform economy represents only the final stage of a process of deconstruction of work because it is characterised by the ability to continuously generate new links and spillovers between the formal and informal networks of co-producers without distinction between productive work and reproductive work. Platforms contribute to generate a multitudes of job opportunities which can be carried out simultaneously, but with unclear boundaries between what is work and what is not and between what is formal and what is informal.

Consumers are no longer just buyers, as in the Fordist model, nor do customers just listen to and care for, as in the Toyota model, but a real pro-sumers (Ritzer 2018), productive resources that participate and contribute to the process of creation, as well as destruction, receiving contributions, incentives, and resources for their job. Consumer integration into the value chain way represents a double strategy: a new form of governance to cope with the increasing volatility and uncertainty of global markets to continuously adapt the product/service to demand segmentation and fluctuation; a response to the productivity stagnation and cost disease issues.

In this scenario, labour is continuously devalued or downloaded on consumers through gig taskification. At the same time, platforms reiterate the relevance of the control designed new way to make it more invisible and opaque, calling it algorithmic management (Stark and Pais 2020).

Figure 8.1 shows briefly how the crucial issues raised by tertiarisation and informalisation (service relation; productivity stagnation and controlling issues) are specifically declined in the platform economy. In the next paragraphs we will delve into how these three dimensions unfold specifically in the digital service economy.

4.1 Service relations: looking at housewifization in an Onlife perspective

Digital capitalism got involving stronger workers' cognitive and relational skills even more and extracting value from them, putting the foundations for the establishment of the so-called cybertariat (Huws 2014), as a specific type of 'knowledge worker' who is always virtually at work due to the way digitisation blurs the lines between the workplace and home. Digital service relations are structured within a constant interrelation between online and offline interaction and in these interactions, it is not always easy to establish a clear distinction between productive actions and reproductive actions. With the digitisation phase, Casilli (2017) points out how 'social fragmentation and capitalist accumulation result from the capture of collective value via the enclosure of digital commons and the commodification of lifestyles and creativity generated by the multitudes' (3937). Platforms act also as a work-extending technology collapsing any distinction between private/public space. It is the Onlife paradigm (Floridi 2015),

Figure 8.1 Informalisation in platform gig work.

Source: Our elaboration.

as an hyperconnected and fluid reality between online and offline, that exposes our everyday experience to commodification.

The boundaries between private and working life have become so blurred that Cingolani (2019) even talks about the colonisation of workers' free time. New information and communication technologies (NICTs) are key in that because they allow a pervasive and constant commodification of our personal intimacy, leisure, and social relations. The platform transforms everybody into micro-entrepreneurs of his everyday life. In this sense, digital tech acts more as a tool for dispossession rather than a tool of alienation. Platforms constitute a 'set of relations that constantly needs to be performed' (Van Dijck 2013: 26). The commodification of their reproductive work is hidden by the rhetoric of collaboration or reciprocity (Belk 2014): exchanging on a digital time bank (e.g. TimeRepublik), giving a ride on the way home from work (e.g. BlaBlaCar), and offering your sofa to a tourist (e.g. Couchsurfing) are not presented as real jobs but as the enhancement of an underutilised asset and as a way to further develop social relationships. This creates the basis to scale up the housewifization process and increase the commodification of our domestic intimacy: for example, the Airbnb host who rents a room of his/her apartment does not simply sell hospitality but the authenticity that tourists cannot find in a traditional hotel.

In doing so, platforms often evoke the image of the community or of peer-to-peer relations. This type of rhetoric or justification regime (Boltanski e Thévenot 2006) further strengthens the performative dimension of the service relationship, already made explicit by the concept

of Hochschild (2012) 'emotional labour'. Rosenblat's (2018) analysis of Uber drivers highlights how the platform encourages a warm relationship with users in order to receive the best ratings and feedback that will be essential for receiving new job offers. This warm relationality is also indirectly pushed by Airbnb (Bruni and Esposito 2019) or BlaBlaCar (Arcidiacono and Pais 2021) through a series of nudges that direct prosumers to maintain some form of intimate and high-quality service relationship. The hybridisation between working times and lifetimes in an Onlife perspective generates 'grey' interstices for multiple-job commitment and designing also new strategies of work-life balance. The ambiguity of the boundaries between work and non-work, combined with the spatio-temporal flexibility makes it possible to present these tasks as autonomous, without any constraint of dependency. According to the rhetoric underpinning the platform economy, the individual has the digital freedom to choose how much to work and how to do it and even to decide if this could be a job or not (Lehdonvirta 2018). Cingolani (2019) defines this peculiar condition as 'voluntary servitude' (171). This also explains the difficulty in placing the digital worker within the traditional normative dichotomy self-employed or employee (De Stefano and Aloisi 2018). Although working from home, in any time, allows greater autonomy and flexibility, the risk of overworking or burnout is simply removed or underestimated by the workers themselves because they scarcely recognise the difference among their multiple platform tasks.

4.2 The productivity problem: disappearing labour as a cost disease fixer

Platforms use a system devaluation of labour to fix productivity stagnation and to cope with the cost disease issue through the disavowal of the individual productive contribution. Therefore, the real paradox of the digital transformation is that work continues to be increasingly fundamental for value creation, but it is constantly undervalued and depreciated, to the point of almost 'disappearing', as in the 'myth' of a jobless society.

Frey and Osborne (2013) estimated a 43% risk of job loss in the United States as a result of the digitisation of labour process. For a long time, the debate has mostly emphasised the role of technology as a competitor with humans in the market. Academic and public debate has remained for long stuck on the ambiguous balance between jobs 'created' and 'destroyed' by new technologies (Brynjolfsson and McAfee 2012; Acemoglu and Rastrepo 2017).

This debate somehow underestimates how the major and more worrying effects of digital tech are not numerical, but they are much more related to the quality of the work, its fairness, and its decency. Such narrow view arises primarily from the difficulty of accurately estimating the number of gig workers of the platform economy. As a matter of fact, the gig economy manifests itself in a plurality of forms; therefore, understanding the size of the gig workers market is methodologically very challenging and the real situation is still opaque (Pais, 2019). Some studies estimate just over 600,000 workers in the United States (Harris and Krueger, 2015); according to another American study (Current Population Survey Staff 2018), platform workers represent only 1% of the US workforce; according to the OECD (2019) they are between 0.5 and 2% of the workforce in the world.

However, how much can we trust this data? Gig work is a form of labour that can take different forms, and it could imply tasks not always recognisable as work by the workers themselves. The gig economy does not only generate visible performances (think about food delivery riders or ride-hailing driving), but there are many more occult forms of working that are more likely to be underestimated and under-recognised. Therefore, in jobs like riders or drivers, the devaluation process takes place above all because it develops in grey regulatory areas, also restoring

unfair forms of remuneration, such as piecework, or not guaranteeing adequate standards of labour protection and safety. Their recognition as workers is much easier as they possess identification marks (such as uniforms or company logos exposed) and common meeting spaces. As it already happened in the industrial age, this has allowed easier aggregation of a constituency that can exercise a collective voice and can be activated on a series of demands (Tassinari and Maccarone 2020).

Unfortunately, it is not as simple for the rest of digital gig workers, especially in the case of what Casilli (2017) calls online social work, where consumers of online services involuntarily participate in the training processes of artificial intelligence or provide the necessary data for business strategies, using their own account on social networks or apps. These digital activities, linked to the growing importance of datafication processes in the construction of value, often take the form of 'consumer-work' (Glucksmann 2016), which is not subject to any form of remuneration or even legitimation as a working activity. Through the creation of imaginaries that promote self-actualisation and conviviality, individuals are encouraged to participate in this datafication process. Despite low recognition, their controversial nature has started to emerge by the judicial point of view: from the Cambridge Analytica case to the requested qualification of Google's reCAPTCHA as a transcription business built upon users' free labour.

In the case of online microwork, operated through platforms such as Amazon Mechanical Turk or Crowdville, workers are hired to do very simple tasks, such as entering small amounts of data, clicking or participating in short surveys. Their remuneration could be very low (for this reason they are called also penny tasks), with an estimated average hourly rate of $ 1.38 (Horton and Chilton 2010). Microwork platforms do not present it as a real job in any case: on Crowdville we read about 'earning while having fun', about 'trying your favourite products before others . . . comfortably seated on your sofa at home'. As an example of a typical worker, the platform presents the case of Luca, a university student who, thanks to the platform, can earn extra money 'to buy everything he wants'.

Most studies confirm how such digital gigs are low-paid jobs, with an often uncertain and insecure contractual status, without rights and outside adequate protection schemes (Berg 2016; Fredman et al. 2020). In a platform like Toluna, income is often organised through the cashback system, paying in vouchers that can be used in affiliated shops. Cashback is not convertible into cash and it does not even have a fixed amount, as it depends on the commercial agreement with the lender companies (such as Amazon). Moreover, in the case of Toluna vouchers can be disbursed only if certain thresholds are reached, encouraging subjects to be productive within a given time, as the expired credits are no longer due. Furthermore, the gamification processes that characterise this type of tasks contribute even more to conceal the performative dimension of work, and to transform remuneration into a 'reward'. On Toluna for example, upon completion of each survey, points are awarded and, once a set threshold has been reached, a 'bonus' can be redeemed.

For more complex or qualified tasks, the platform economy is characterised by its ease accessibility, breaking down some entry barriers and encouraging informal workers with non-formalised credentials run into play, creating the figure of the PROam or professional amateur (Leadbeater and Miller, 2014). For this reason, life skills seem to have more relevance than technical skills in the platform economy, relying rather on the ability to self-organise or to develop multitasking attitudes. Such flexibility and ease of access/exit of the platform attracts mainly workers in transit (such as university students) or individuals who still have a first job.

For example, young and unexperienced freelancers, who through these systems have been able to expand their professional network and capitalise their reputation, adding their traditional forms of apprenticeship, often characterised by informality and poorly paid, with digital

gig tasks to gain more experience or enrich their resume; or for home restaurant or ridesharing workers, who were able to provide a service operating in a 'close market' without having licenses or public authorisations. Some scholars have highlighted that the level of education of platform workers is medium-high, even for carrying out activities that require medium-low skills. This would generate a crowding-out effect, which disfavours those low-skilled manual workers who traditionally performed these same tasks as moonlighters (Schor 2020). Therefore, giggers often develop multiple-jobs paths also as a response to the increase of precariousness or to cope with the insufficiency of their wages. According to the ILO survey (2019) on crowdworkers, they are often engaged in other paid jobs (52%) and about a third (32%) are employed as waged employees, while others have atypical employment, including part-time or casual work (33%), or even work as freelance (25%) or as owner or business partner (10%). Pesole et al. (2018) show that on average 10% of the adult population has used platforms, but less than 8% do this type of work with some frequency and less than 6% spend a significant amount of time on it (at least ten hours a week) or to earn a significant proportion of their income (at least 25% of the total). Schor (2020) concludes that platforms as a complementary option is an evidence of their acting as free riders over standard employers that must provide adequate income, safety and security for workers, so platform work become more desirable or acceptable.

4.3 The problem of controlling: visible taskification and invisible algorithmic boss

As already argued, the shift to service economy involves finding a new balance between the intensity of living labour and capitalist need for standardisation and predictability. In platform economy, gig work, on-demand work, microwork, and crowdwork are all expressions of a growing fragmentation of labour within the neo-Taylorist paradigm of production that further fragments tasks, objectives, information, and repertoires of action. This increasing taskification is also the sign of a process of what we have already defined as the formalisation of the informal. The digital domain can enhance all those activities that were informally invisible by making them visible. At the same time, the more these activities become visible, the more the forms of control and hierarchies become invisible.

Platforms employ pervasive technological control mechanisms that make it possible to combine forms of surveillance and commitment, typical of a dependent job, with mechanisms of flexibility and autonomy, typical of self-employed or informal work. For example, piecework is used as a payment tool and result orientation, but some lock-in mechanism is used to create a form of dependency (and control) on workers: first through low wages, which can be improved only by intensifying the productive effort, or in some platforms, it is forbidden to provide direct personal contacts to users in order to avoid the disintermediation of the platform itself, developing autonomous matching with the job demand.

Behind the rhetoric of flexibility and freedom, individual contributions are increasingly 'displaced' into long global chains where control and power became pervasive but invisible. Heterodirection takes over within the reticular and headless structure of these transnational digital enterprises, mediated thanks to digital reputation tools and algorithmic management (Stark and Pais 2020). Reputation is already known as the new coin within the platform economy. It is formalised through the construction of proprietary algorithms, giving it a tangible consistency (likes, stars, ratings, comments, and other labels used precisely to certify user-worker reliability). However, the algorithmic management represents a sort of invisible boss (Jarrahi and Sutherland 2019), capable of carrying out continuous tracking of workers, constantly evaluating their performance, collecting data that automatically implement strategic decisions that have important

results on their working life defining shifts or workloads, assigning tasks, giving awards and rewards, or even dismissing workers (for example, in the case of Uber).

Such mechanism presents evident risks. First, it calls for stimulating a superstar effect: in order to increase the rating, workers are willing to accept as many tasks as possible, generating a general pressure towards performativity and overworking. There is a sort of 'user-driven servilism', as one's rating depends on the intensity and complete subordination to users' requests. In addition, there is the possibility that the platform, which owns the algorithm, can unilaterally change the online reputation system, concretely changing the working conditions of these workers at any time without them knowing it or being able to exercise any kind of voice. For example, this happened when Elance platform change management, with the merge with oDesk, giving life to the new Upwork platform. In this instance, by modifying the algorithm, they also unilaterally modified the reputational scores of the subscribers, thereby modifying their earning opportunities.

The poor transparency of the algorithm can also conceal discriminatory choices on workers, as demonstrated by the recent court judgement on Deliveroo. At the same time, gig workers try to develop resistance strategies to escape algorithmic control or 'hacking' its operating mechanisms: this is the case of Lyft and Uber that coordinated manipulating the ride app in order to control the surge pricing mechanisms, and it is also the case of Amazon delivery drivers who are putting smartphones on trees close to the station where deliveries originate in order to get a jump on rivals seeking orders. It is clear how algorithmic management could exacerbate a 'race to the bottom', increasing competition among workers. But this can also extend the risk of capitalist surveillance (Zuboff 2018) with high margins of uncertainty on legal responsibility for wrong or harmful choices. Standardisation and control also feed a systematic process of datafication and data extraction albeit within a process of apparent randomisation and fragmentation of work in gig tasks. This phenomenon is defined as data colonialism (Couldry and Mejias 2019), 'normalizing the exploitation of human beings through data, just as historic colonialism appropriated territory and resources and ruled subjects for profit' (336). In this sense, the accumulation and extraction of value from consumer/worker data is also assumed to be a strategic asset for the platform and people are asked, both implicitly and explicitly, to feed continuously its wealth.

In order to prevent such risks, it is not surprising why the largest Italian trade union, CGIL, claim to make algorithms more transparent and fully subject to collective bargaining, as requested by many other gig workers.

5. Conclusive remarks

The analysis proposed so far has aimed to avoid an exceptionalist approach to the gig economy, emphasising the aspects of breaking with respect to capitalism. The aim is to overcome the dichotomy that has characterised the debate on the transformation of work and the impact of digital technology. On the one hand, the prevailing optimistic thesis considers digital technology as a tool for the emancipation and empowerment of workers, favouring disintermediation, speeding the transition, mobility, and job quality within the market, in order to increase more satisfactory careers and biographical paths. On the other hand, the pessimistic and critical thesis argues that technology can be used as a tool that deprives people of work, marginalises their productive contribution, favours regressive paths in terms of rights' protection and regulation, and even polarises the labour market between protected traditional jobs and precarious digital gigs.

Our analysis highlights the complexity, the heterogeneity, and the complementarity of the different forms of gig work. Firstly, the transformation led by the platform transition is not a

concrete disruption, but it is part of a long and historically rooted process of transformation of capitalist accumulation. Capitalist dilemmas continue to be the same regarding the issues of value creation and cost containment. At the same time, the relationship between formal and informal and the boundary between productive and reproductive work are a variable geometry perimeter with which the capitalist organisation recursively confronts along history, even in the platform age.

However, this does not deny agency spaces and the possibilities for actors to build balancing and coping strategies, both individually and collectively. It is precisely the combination of structural factors and individual actions that help to explain (and solve) the outcomes of gig work in the platform economy. The outcomes of the new platform paradigm depend precisely on how the regulators and the workers are able to recognise and draw new boundaries between formality and informality, overcoming dichotomies that now appear largely outdated, such as that between product and service, between autonomy and dependence, or between online and offline.

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9

FEMINISED WORK AFTER FORDISM

The new precarity

Eloisa Betti and Eileen Boris

1. Introduction

In the last two decades, feminist and post-colonial scholarship has reshaped the concept of precarity through gendering and provincialising conditions of work. Global and feminist labour history, in particular, defined precarisation as a continuous process (Breman and Van Der Linden 2014, Betti 2018) and precarity as a defining state of women's employment in the long run (Boris 2019). The collapse of the Fordist order, together with the demise of the male breadwinner ideal, brought to light the existence of precarity, as all work seemed similar to women's work, especially in terms of hours, compensation, and continuity of employment (Betti 2018). Indeed, public commentators failed to perceive or conceptualise job precariousness as such until it started affecting Western male breadwinners in core industrial sectors, during the crisis of industrial capitalism and the pervasive process of deindustrialisation that hit Europeans and Anglo North Americans beginning in the late 1970s (Emmenegger 2012). Thus, a mainstream gender-blind perspective led 1980s and 1990s social scientists to consider precarity as a new phenomenon, deriving from the global spread of labour flexibility that followed the 1970s crisis. Up to the new millennium, precarity appeared as an exception to the still prevailing standard employment relationship (Betti 2018).

As this contribution shows, standard employment was never a universal model nor precarious work an exceptional phenomenon. Investigating precarity from an intersectional gender and global perspective allows us to understand the nexus existing between informalisation and precarisation, crucial to grasping the existence of gendered and pervasive forms of precarity in the Global South. As sociologists Anita Hammer and Immanuel Ness have emphasised, 'the study of informal and precarious work across the Global South unveils that exploitation can take many distinct forms' (Hammer and Ness 2021, 3).

This chapter addresses changes that occurred in the last 40 years after the disruption of the Fordist system and the end of standard employment. By Fordism, we refer to the post-WWII industrial system that encompassed mass production and consumption powered by technology accompanied by standard employment in the core sectors of the economy. As historian Stefan Link describes this accumulation structure, it 'rested on a regulatory mode characterised by strong unions, a demand-stimulating welfare state, and a postwar cultural reformation that turned works into consumers', to which we would add the male breadwinner/female homemaker heteronormative family. Post-Fordism then becomes the collapse of this system in which

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unemployment, deindustrialisation, and flexibility emerged to generate 'a second industrial divide' (Link 2020, 5). In hitting male-dominated sectors of economies, deindustrialisation thus finally destroyed the male breadwinner ideal.

We first consider how the disruption of the Fordist order was linked to the worldwide spread of a model of flexibility, applied to policymaking, as well as the management of the workforce. Then we emphasise the significance that the 'discovery of the informal sector' played in deconstructing the universality of standard employment, underscoring the relevance of women's presence in subsistence rural work and urban self-employed labour activities. Thirdly, we investigate the gendered nature of the service and care economy as a specific development of post-Fordist employment regimes in the context of the so-called global feminisation of labour. Finally, we look at the relationship between essential workers, gig economy and precarity in the wake of the major changes brought by the COVID-19 global pandemic, which renamed women's labour as essential while accelerating the reconfiguration of work.

The affirmation of a 'standard employment relationship' in the presumed golden age of capitalism was usually regarded as a universal process, in spite of its very Western origin. Specific debates on informal, reproductive and domestic labour had contributed to challenging the centrality of the 'standard employment model' (Boris 2019). As political scientist Leah Vosko has explained, the standard employment relation of full-time, continuous employment with benefits was never the norm in most of the world and certainly not for women, whose lack of control over resources – compounded by the commodification of subsistence (as the privatisation of water) – enhanced inequalities (Vosko 2010). Greater precarity usually accompanied the feminisation of an occupation, pushed forward by new technologies as with the transformation of the clerk into the secretary and then backroom typing pool that in the United States disproportionately consisted of Black women (Braverman 1974). The introduction of the computer, however, generated new information technology jobs, the most skilled staffed by men (Turk 2014).

Feminist scholars adopting the categories of gender and intersectionality have deconstructed the *exceptional* character of precarious work by questioning the 'standard employment model' as the *normal* employment relationship even in Western countries during this golden age of the 20th century (Lorey 2015). These scholars have revealed that in the period 1945–1975, the standard employment model became the normative conception of work, although it never included the whole Western workforce. In particular, women and migrants were never fully integrated within such a model even in Western countries, nor were specific categories of workers such as 'peasants, agricultural workers, slaves and other bonded people' (Boris and Dodson 2013, 2). The persistent exclusion of women and migrants from social security provisions, based on the male breadwinner, exemplified such a long history. US interdisciplinary historian Eileen Boris stresses that many white women, African Americans, migrants, and domestic and agricultural workers lacked full integration into the steady employment codified in the United States by the New Deal (Boris 2008).

The alleged novelty of precarious work, according to legal theorists Fudge and Owens, was a consequence of the gender-blind approach adopted by scholars and policymakers. The latter looked at the 'standard employment relationship' as the *norm*, while in fact only certain groups of men working in heavy manufacturing typically benefited from its protections. However, precarity is no longer confined to the margins of the capitalist system, affecting the white middle class (Fudge and Owens 2006). The spread of precarious work together with the global feminisation of labour has driven changes in legal norms. The gendered nature of precarious work and the growing percentages of precariousness among women question the alleged positive relationship between feminisation and the flexibilisation of work throughout the world (Vosko 2010).

In this regard, feminist scholars adopting a Global South perspective provided a crucial contribution toward understanding the relationship between the current wave of precarisation and the global feminisation of labour, commonly understood as the increase of women's participation in paid work worldwide but also as the extension of traditional female working conditions to the workforce as a whole (Mitropoulos 2005; Lorey 2015). In this light, precarity is not a 'symptom of a crisis of late capitalism' but rather 'a long-term structural element of the modern capitalist system', while populations outside the West became the prime objects of a process of precarisation. The latter had the important function of securing the survival of capitalism itself (El-Tayeb 2013). On the other hand, Global South approaches enlighten the diverse, complex, and intersecting forms of production and social relations related to informal and precarious work (Hammer and Ness 2021).

2. The disruption of the Fordist order, the unravelling of standard employment, and the collapse of the Western male breadwinner ideal

Stability and continuity of employment, together with formal labour protections, constitutes the very heart of the Western definitions of 'standard employment relationship'. Up to the 1970s crisis, full-time unionised jobs with living wages, benefits, vacation and sick days, and occupational health and safety safeguards – won through sometimes bitter labour struggles since the 1930s – remained available to workers in core industrial sectors, who were mostly men. Standard employment solidified a so-called male breadwinner society (Janssens 1997). The sagging of industrial employment and productivity, profits, and wages that historian Jonathan Levy notes about the United States by 1973 marked a broad crisis in the Fordist regime of capitalism and that oil shocks, the green revolution, and trade deficits would intensify, bringing about unemployment and inflation not only in the United States but in other Western industrial societies (Levy 2021, 444–451). The European recession of 1974–1975, with its increase in inflation along with unemployment, both discouraged women's labour force participation and led to what ILO analysts named the added-worker effect. Women's concentration in low-skilled jobs, lack of child care, and institutional arrangements, such as seniority, favoured men.

Central to Fordism was male breadwinning, an ideal that only some unionised men could achieve. As US historian Robert Self has explained, this ideal 'functioned as an organizing mythology of social life and was believed to be the bedrock of a sound family and by extension a sound society' (Self 2012, 18). Men would leave the home to earn enough to support a wife and children. Wives would transform his earnings into goods and services for the family through domestic labour and, if need be, would take on part-time and intermittent jobs to make ends meet. Organised labour long had demanded what came to be called a family wage and won it for some skilled crafts and mass production workers during the first half of the 20th century. As Australian feminist scholar Melinda Cooper explained, 'the Fordist policies of class was itself a form of identity politics inasmuch as it established white, married masculinity as a point of access to full social protection'; that is, the breadwinner wage separated men's and women's, white and black, and citizen and immigrant labour and the benefits and standards associated with jobs (Cooper 2017, 23). With the decline in men's contributions and increase in single motherhood some feminists insisted on the necessity for women to earn a breadwinner income as well (Boris and Lewis 2006). Political upheaval would result from the unravelling of the breadwinner ideal in the face of deindustrialisation, the expansion of the service sector, the need for multiple income earners, the decline of unions and social protection, deregulation of industry, and the shifting location of production through global supply chains. Worker protest with the end of Fordism was both a response to as well as a cause of redistribution of wealth

upward through tax, investment, monetary, and social welfare policies (Cooper 2017). That is, financialisation begot precarity.

Standard employment had dominated European labour law. The Supiot Report clearly stated the existence of a typical or standard employment model, considered to be the permanent, full-time contract (Supiot 1999). With the new millennium, the European Commission found among Western European countries 'a reference, often implicit, to a standard or norm in relation to which any particular employment relationship is appraised or simply named' (European Commission 2004, 7). In France, Germany, Italy, and Spain, the standard or normal employment relationship contained a specific contractual form such as the 'open-ended contract with statutory protection enshrined in a labor code' (ibid.). In the UK, on the contrary, only a broad conception of what was a 'regular' employment relationship existed, which was not the legal equivalent to those on the continent. In contrast, employment-at-will long dominated the United States, where unionisation dropped from one in three workers in 1965 to one in ten some fifty years later, and legal protections – whether unemployment or wage and hour – varied among the states (NPR 2015; US Wage and Hour Division 2021).

Since the 1990s, scholars began to label as precarious supposedly new forms of work dependent on atypical/non-standard contracts. Such classification derived from Western and European socio-economic and legal sciences (Nienhüser 2005; Barbier 2002; Dull 2002). Job precariousness/precarity acted like a new phenomenon as a consequence of labour law deregulation and flexible labour arrangements introduced from the early 1980s in Western Europe and North America (Crompton, Gallie, Purcell, 1996; Letourneux 1998; Heery 1996). But independent contracting, subcontracting, and industrial home work were arrangements thought to belong to the past that actually had persisted even within Western industrial economies (Boris 1994, Neusinger et al. 2022)

The flexibility model appeared in the second half of the 1970s, first in the United States and Great Britain, before spreading to Europe and Italy in the early 1980s. Business enterprises deployed the concept of flexibility to reduce production and labour costs and recover margins of profit that had been lost in the wake of the 1970s crisis. They sought to bypass what became known as the rigidity typical of the Fordist labour model applied in the main European and Western countries and, to a lesser extent, Great Britain and North America (Harvey 1989; Kallenberg 2011). The reduction in the bargaining power of the workforce, which followed massive industrial restructuring in the 1970s, favoured the adoption of managerial strategies based on the assumption that security and stability of labour relations were elements of rigidity that hindered economic growth and development (Breman and van der Linden 2014).

Flexibility thus became a key aspect of the workforce management strategies, a new form of biosocial governmentality. The concept of the 'flexible firm' (Atkinson 1984; 1985) guided workforce management. In addition to its central or core workforce, a company would recruit workers through 'unstable' short-term, part-time training and work contracts, employing also self-employed, contracted, and temporary labour. Flexibility also became a principle informing the employment policies of governments and their respective labour laws. The Organisation for Economic Co-operation and Development (OECD) presented the most influential theory of labour flexibility in the mid-1980s (OECD 1986), by advancing the existence of a positive correlation between labour-market flexibility and employment. At the beginning of the 1990s, though, some international studies highlighted both the negative aspects of flexibility and the weak empirical evidence of the role of flexibility in the US occupational 'miracle' (Brodsky, 1994).

According to US Marxist economist David Harvey, the flexibility model underpinned a new regime of accumulation, defined as 'post-Fordist' and 'flexible', triggered by the profitability crisis and by the sunset of Fordism. In criticising developments in the 1980s, Harvey characterised

this emerging system by its high levels of structural unemployment, rapid destruction and reconstruction of labour capacity, modest or non-existent wage increases, and the weakening of the power of the trade unions (Harvey 1989, 184–186). Already at the end of the 1980s, the spread of flexible forms of employment had produced negative effects for the entire active working population, especially as regards insurance coverage, pension rights, salary levels, and the job security of presumably peripheral workers. The actual adoption of flexibility in the management of the workforce generated loss of millions of former stable jobs in the industrial sector. After 1989, deindustrialisation, along with the privatisation of state-led companies, had a deep impact also in former socialist countries; in Eastern Europe, massive unemployment spread in the 1990s together with new flexible working arrangements (Naudé, Surdej, Cameron 2019).

Other scholars have questioned the standard employment model as the normal employment relationship by expanding the geographical scope of the analysis and/or adopting a longer historical perspective embracing the Fordism/post-Fordism dichotomy. Considering not only the Global North but also the Global South, the standard employment model suddenly became a historical exception almost exclusively characterising Western and Western European countries, while precarity emerges as a norm or as a historical rule (Mahmud, 2015; Breman and Van der Linder 2014) in the *long durée* of capitalism.

Dutch scholars Jan Breman and Marcel van der Linden corroborated the idea of a convergence of Western countries and the Global South insofar as the spread of informality and precarity was concerned, claiming that the 'West is more likely to follow the Rest than the other way around' (Breman and Van der Linder 2014). The discussion on the informalisation of labour relations as a global process has a longer tradition; German sociologist Ulrich Beck coined the expression 'Brazilianization of the West' at the end of the 1990s to stress the informalisation of Western labour conditions and the unexpected convergence with informal/precarious labour arrangements already existing in the peripheral economies of the Global South (Beck 2000). More recently Andreas Eckert (2016) underlined the convergence occurring between Western and African labour arrangements in the wake of the global spread of precarity. The latter appears as a return, not as a new phenomenon, according to sociologists Sara Mosoetsa from South Africa and Joel Stillermann and Chris Tilly from the United States (2016).

The nexus between precarity and informalisation has informed investigations of South, Southeast, and East Asian countries (Kalleberg and Hewison; 2013), as well as Latin America. Since the 1990s, the expansion of outsourcing, subcontracting, self-employment, and export-led factories, as underlined for the Indian context by sociologists Jan Breman (2013) and Rina Agarwala (2013) has challenged the long-lasting and prevailing informality of labour relationship in the Global South. Scholars have considered the structural precarity of urban informal workers in countries such as Argentina and Brazil (Millar 2014; Burchielli, Delaney, and Goren 2014), together with precarious workers of Western urban economies (Gerrard 2017; De Peuter 2014). From a global perspective, Fordism, with the accompanying welfare state and Keynesian government spending model, became the exception to the rule. Thus, Neilson-Rossiter (2008) and others (Petrungaro, 2013) argued for a broader reconceptualisation in a context where the standard employment model has never been the *normal* employment relationship, but on the contrary, informal labour arrangements have always been the *norm*. Despite this rich analysis, many scholars failed to gendered these processes, with Agarwala and Chun (2018) a notable exception.

3. The discovery of the informal sector in the Global South

Precisely at the moment of labour market deregulation and deindustrialisation, when the standard employment contract, unionisation, and the family wage were crumbling in Western Europe and the United States, researchers discovered the informal sector. These initial

studies generally missed the connection between precarity and informalisation, ignoring the link between globalised production and international labour mobility. Indeed, the offshoring of textiles, garments, and electronics in ever attenuated supply chains from the United States to the Caribbean and Mexico and then to the Philippines, China, and elsewhere in Asia, for example, generated new geographies of manufacturing and bleed membership from the unions attached to these industries (Cowie 1999; Collins 2003). Such shifts in production, reorientating social relations worldwide, had begun after WWII but offshoring and outsourcing intensified in the 1970s (Boris 2019, 158–161). It wasn't just that the two phenomena coexisted, but informalisation *produces* precarity, while social precarity – the lesser power coming from gender, race, class, and other status – leads to precarious work (Siegmann and Schiphorst 2016, 116).

Pioneer studies discovered the informal sector in urban sub-Saharan Africa. Researchers found unregulated employment, work without licensing, labour standards, taxation, or inspection of any sort. Such informalisation pointed to sectors imperious to capitalist modernisation, deemed backward, that also existed outside of its strictures. At first, researchers were optimistic. Reporting on Kenya, the ILO concluded that the informal sector was efficient and profitable; it would offer a path toward development despite being small in scale and undercapitalised (ILO 1972). Urban under- and unemployment did not necessarily increase poverty because workers earned income through a combination of temporary, often illegal (if not criminal) activities that existed in the shadow of formal employment, including trade, personal and domestic services, entertainments, sex work, and theft (Hart 1973). Workers actually were self-employed, holding what advocates interpreted as an entrepreneurial spirit that compensated for the lack of social insurance or benefits, instability, and low wages (De Soto 1989; Siegmann and Schiphorst 2016, 113–114).

Women engaged in survival activities for their households. By the end of the 20th century, at least 60% of women in developing countries, 30% in European nations, and 25% in the United States laboured in the informal sector (Benería and Floro 2005, 9). In Latin America, peasant dispossession led women to cities and to domestic service. As home-based workers in Asia and the Americas, they accounted for a new putting-out system. The spread of maquiladoras belonged to this same search for low wages and flexible workforces, in this case emerging from export-oriented industrialisation programs and multinational expansion. The decline of India's textile mills pushed women into the informal economy as street vendors, ragpickers, construction workers, and garment outworkers (Ahmad and Loutfi 1981; Chatterjee 2005, 104–105). Long-known for their trading activities, African women who migrated to cities concentrated in services. The ILO lamented, 'Because their work is largely invisible, in private homes or in back rooms, it does not lend itself to unionization or legislative protection any more than raising food crops for the family in remote villages does' (Director General 1977, 39).

Feminist development economists gendered this discussion in ways that both advanced understandings of precarity within informality and reflected new attention to the structural consequences of gender ideology and divisions of labour. United Kingdom–based expert Ingrid Palmer, who staffed the ILO's Programme on Rural Women in the mid-1970s, highlighted the contradictions at the heart of various country reports on the informal sector: women would gain employment with the growth of the informal sector yet they laboured 'part-time' in 'activities (such as illegal beer-brewing and prostitution) which are difficult to cover even statistically', while their dominance in sales and services, including domestic work and the 'backroom garment industry', hardly lent themselves to upgrading (Palmer 1979, 49, 45). The emphasis on 'backroom' in such assessments reinscribed an image of shadowy and hidden labour. Palmer sought to extend insights from the operation of 'unequal exchange flowing from disparities in

labour productivity, economic power, institutional power, and political power' between nations, classes, and regions to what she called 'a "north-south" situation of unequal exchange between men and women . . . within households' (Palmer 1977, 103–104). As one of her successors at the ILO, US economist Martha F. Loutfi noted, when men migrated to cities, women experienced increased workload and greater precarity from being left on smaller plots with restricted access to firewood and other necessary items, especially when men retained cash income for their own consumption or abandoned households left behind (Loufti 1980).

Attention to the informal sector labour of women led to conceptual breakthroughs. German feminist Maria Mies formulated the concept of housewifisation to describe secluded women who spent their 'spare' time crafting goods for the world market, even though it was their family labour that they squeezed in between income generating activities, the availability of which depended on subcontractors from their family or neighbourhood. The primitive accumulation process extracted from subsistence production depended on maintaining these 'housewife-workers' as outside of wage labour as usually configured. Capital flowed to the informal sector. The entire strategy of profits from self-employment rested on 'a patriarchal and sexist division of labor' (Mies 1982, rprt 2012, 201–202). Others associated with the Programme on Rural Women redefined what constitutes work on the basis of the informal subsistence labour of rural women; they would 'abolish the separation of the so-called "productive" work from "reproductive" work, eventually resulting in defining "housework" as work' (quoted in Boris 2019, 229). Some 40 years later, the Conference of International Labor Statisticians in 2013 recommended counting as work 'collecting firewood and fuel, fetching water, cooking, cleaning and also providing care for children, the elderly and other dependents' (ILO 2016, 19–20) – that is, the necessary quotidian labour that worldwide overdetermined women's precarity.

4. Gender, service, and care economy

Well before the COVID-19 pandemic began to shut down national economies, the service sector was replacing manufacturing as the generator of employment. People left the land for an urban low wage sector that by 2020 made up half of all employment, reaching 70 to 80% in rich countries like the United States and France (Benanav 2020, 2–3). In the United States, the care work economy boomed as a response to deindustrialisation in Rust Belt cities, fuelled by federal dollars, still vibrant union-bargained health coverage, and an aging population so that in the 1980s, it made up over half of all low-wage job expansion and nearly 75% of such positions in the 2000s (Winant 2021, 3). By then, retail accounted for a quarter of all jobs. Like healthcare, restaurants, hospitality, and logistics, such as Amazon warehouses, constituted growth areas but suffered from temporary and part-time contracts, low pay, occupational hazards without adequate means of redress, and lack of worker control (Klein 2020; Alimahomed-Wilson and Reese 2020). Indeed, in 2019 low-wage service work – home health aides, fast-food servers, janitors and cleaners, and ride-hailing drivers – were projected to be among the fastest growing occupations in the next decade, along with various managerial and business services, tech and computing, and licensed nursing (USBLS 2020). Service jobs, such as domestic and care work dominated by women, especially US-born and immigrant women of colour, already exhibited all the hallmarks of insecurity (ILO 2020b, 5). Conditions worsened as hospitals and nursing homes sought to cut costs by hiring fewer workers and speeding up the number of beds to clean and patients to look after (Winant 2021, 254–55; Ducey 2008).

Since the 1970s, especially in countries like the United States without public financing of adequate child or elder care, the household labour force expanded as a solution to a crisis in social reproduction. The stretch out of the working day among a new professional-managerial

class and the rising labour force participation of more privileged married women generated a demand for other women to come into their homes to perform tasks previously relegated to unpaid wives, such as cooking, cleaning, and tending to dependent people – that is, the young, elderly, and those with disabilities or illnesses who required aid with the activities of daily life (Hochschild 1997; Boris 2021). Yet this privatised system often relied on informal arrangements and cash payment, without deductions for healthcare or pensions, with arbitrary rates of pay and unspecified duties. In the United States, when African American women with other options rejected maid work, families looked to hire recent immigrants from the Americas and Asia to take over such tasks rather than reallocating the labour between men and women within heterosexual households. Avoiding gender conflict thus led to the insourcing of reproductive labour (Swinth 2018). The United States was not alone. In Spain, migrant care workers would arrive from Latin America; they came from Eastern Europe to Germany and Italy. African and Asian workers also reached Italy as elder carers (Andersen 2000; Lutz 2011; Degiuli 2016).

Initial exclusion from labour standards exacerbated the precarity of domestic work. Cleaners, nannies, cooks, and personal attendants first had to battle for recognition as workers. They fought against varieties of paternalism, a status hovering between the feudalistic and familial, open to arbitrariness and invisibility. They often laboured without specified contracts or legal rights. They were subject to abuse, including physical and psychological violence, wage and time theft, and sexual harassment (ILO 2013, 45–46). Only gradually over the next decades did these and other service sector employees obtain coverage under labour laws. Persistent exceptions – overtime for live-in domestics, minimum wages for home companions, and occupational health and safety regulations for all household workers – defined the limits of the law when it came to racialised jobs associated with the home, a space still considered private even when it became a workplace (Boris 2008, 2019).

Protection for household workers expanded in a partial manner with only a handful of nations placing them under general or targeted laws. Before the 2011 ILO Convention, 'Decent Work for Domestic Workers' (No. 189), such laws treated about 10% of domestic workers like other workers. However, 70% of such laborers worldwide won some legal protection. Still this coverage was uneven, with Latin America and the Caribbean ahead of other regions and the situation in the Middle East considered bleaker than any other area. Precarity there came from the kafala system that tied migrant labour to employers. Those who became pregnant or protested working conditions faced imprisonment and deportation (ILO 2013, 46–53; Parreñas and Silvey 2018).

Inclusion in labour law or wage boards was only the first step. Compliance remained a problem despite campaigns to educate employers of their responsibilities and workers of their rights. Migrant workers, often undocumented, feared calling attention to themselves. Such was the case in Uruguay, with over 100,000 domestic workers, some 17% of all employed women, half of whom refused to register for social security despite the law and support from trade unions (ILO 2020, 10). Most labour bureaus only investigated complaints, but workers feared retaliation if they filed a grievance, losing livelihood, and for live-ins, lodging. Migrants could face deportation, as those who violated Canada's live-in caregiver program (Boyd 2017). Where unions and NGOs were strong, however, another layer of protection developed to mitigate employer harms and demand governments follow the law.

The terms of inclusion in labour policy could also generate greater precarity, intensifying inequality among women and between women and men. Expansion of the wage and hour law in the United States to the service sector illustrates this phenomenon. When an amendment to the federal law covered hospitality workers in 1965, it institutionalised a subminimum (tipped) wage, half of the legal minimum, for those who garnered at least $20 in tips a month. Employers were to

make up the difference if a worker earned less than the hourly floor – though no way existed to monitor if a tipped worker actually made the minimum. Moreover, reliance on customers catered to buyer prejudices and desires, subjecting women to sexual harassment as the price for tips and men and women of colour to racial discrimination, potentially restricting income. Even when the minimum wage rose, the tipped wage lagged so that by the 2010s, such workers were two times more likely to live in poverty than others and more of them relied on public assistance – a subsidy to low-waged employers. Similarly, other legal changes ended up enhancing precarity. When domestic workers came under overtime provisions in 1974, home aides and attendants were reclassified as elder companions to omit them from the law, putting a lid on costs just as states were responding to demands for deinstitutionalisation of care. Haunting service and care work exclusion was the figure of the housewife, who, opponents of wider labour laws argued, 'can substitute her labor and that of other family members' rather than going to a restaurant or hiring a household worker (Boris 2019, 107).

Fast-food franchises and grocery take-out, cleaners and self-service laundromats, and childcare centres and elder day programs additionally replaced domestic workers in commodifying some of the housewife's reproductive labour by moving it elsewhere. Working-class women who followed such work out of the home gained low wages without the flexibility that such often part-time jobs promised. In non-unionised workplaces, on-call arrangements, and just-in-time scheduling impinged on other activities, such as education, making it difficult to arrange child care. Lack of benefits, like paid sick days, forced service workers to go to work or risk managerial wrath (such as reduction in hours or assignment to undesirable shifts), if not termination (Orleck 2018). While the world economic crisis of 2008 slowed the sector, COVID-19 shutdowns a decade later would disrupt 'decent work' in hospitality and other person-to-person services.

5. Gig economy, essential workers, and precarity in the shadow of the COVID-19 pandemic

The outbreak of the global COVID-19 pandemic and its responses deepened social inequalities worldwide, emphasising contradictions linked to precarity and informality. COVID-19 dramatised already-developing reorganisations of labour that had substituted temporary gig work for standard employment. During the general lockdown of spring 2020, first in Italy and later in the rest of Europe, North America, and the Global South at large, the absence of shock absorbers and other instruments to support precarious and informal workers' income became acute. In response, by April 2020, more than 100 countries and territories had implemented social protection measures, as health protection, unemployment protection, sickness benefits, and social assistance. But precarious and informal workers, the majority of them are women, lacked adequate social and labour protection to begin with (ILO 2021). As underlined by ILO economist Janine Berg, precarious workers were pushed to the edge by COVID-19 (ILO 2020a), especially in the Global South, where survival depended on continuing to work in spite of the restrictions. As confirmed by ILO and Eurofound (2021), the pandemic disproportionately hit vulnerable groups, such as migrants and those with temporary contracts, intensifying difficulties in making ends meet.

Service workers, especially women in hospitality, retail, and tourism, were badly affected by the lockdown and by the longer-term effects of reduced mobility. Domestic and care workers were often fired or left without any income, while disruptions in the global supply chain undermined subcontracting. At the same time, forms of work organisation usually related to the gig economy (telework and digital platform work) boomed in spring 2020, while working

from home involved up to 30% of the overall workforce in Western countries (Cetrulo, Guarascio, Virgillito 2020). Home work, together with the closure of child care facilities in many Global North countries, brought new challenges, increasing the workload for women workers with young children. Women remained more involved in care activities worldwide (Eurofound 2021).

Moreover, women were over-represented in commodified forms of 'women's labours', staffing 'frontline' and 'essential' work (Eige Report 2021). As nurses and personal aides, they were on the front line in dealing with the COVID-19 pandemic and its consequences in hospitals, nursing homes, and assisted-living facilities. As most of the cleaning staff, women directly engaged in the sanitisation of all workplaces; many of these workers were migrants earning low wages and frequently on temporary contracts. Women were also the majority of checkout workers in both small and large grocery stores. In the United States, the racial division of labour led to a disparate impact on immigrants, African Americans, and Latinx, who staffed frontline, essential jobs, including meatpacking, agriculture, healthcare, hospitality, and retail. Not only could such workers ill afford to take time off, but they laboured in crowded conditions without proper personal protective equipment or social distancing. So even when wives and mothers stayed home, their families disproportionately faced exposure from those who went out to earn (Boris 2022). It is hardly surprising, then, that in Italy, 70% of the injuries or illnesses related to COVID-19 infections, around 54,000 workers, affected women (Inail 2020). Inquiries conducted in spring 2020 showed that women faced a double burden in their capacity as essential workers and as home-based labourers. Quarantine salary, also known as heroes' pay, proved fleeting.

Nonetheless, their struggles revealed the relevance and *long durée* of the precarity/welfare nexus in the Global North and the short-term solutions adopted by the Italian and other Western governments vis-à-vis precarity. The lack of benefits but also the lack of commitment in recruiting health workers on a permanent basis led to a new waves of protest (Betti 2021).

6. Conclusion

Through a feminist intersectional perspective, the chapter has charted the historical path to precarity aligned with the increasing informalisation of labour relations during the past half century. The alleged novelty of precarious work collapses under gender-historical analysis that allows for deconstructing the disruption of the Fordist system and the end of standard employment in the West – as well as critical conceptualisations of informality and the labour contract. Flexibility proved particularly pernicious for fostering highly precarious labour relations in an expanding care and service economy. The feminisation and racialisation of the latter helps explain the inner mechanisms that reproduce the vicious circle of precarity, especially among women migrant workers. The global pandemic from COVID-19 thus dramatised but also exacerbated the already precarious conditions of service and gig workers, highlighting the feminisation of labour after Fordism.

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10

TRADE UNIONS, WOMEN'S LABOUR, AND THE GIG ECONOMY

Rebecca Zahn and Nicole Busby

1. Introduction

The world of work is changing rapidly, and concerns abound that 'non-standard' arrangements are challenging its social and collective dimension. The rapid growth of what is collectively referred to as the gig economy – by which workers are engaged on short-term contracts or one-off assignments, often of a peripatetic nature, sometimes online or through the use of a mobile phone app – has brought these concerns to the forefront of the debate. For traditional trade unions, this shift in working arrangements brings particular challenges. However, much of the debate in the existing literature takes as its point of departure the 'standard male worker' and views the divergence in working arrangements as a threat to this model. In fact, trade unions have been challenged by 'non-standard' work since their inception: the alternatives to the full-time, permanent 'job for life' which have now entered the mainstream have long been the norm for many women workers, yet women and issues related to the gendering of work are often missing from discussions of this latest workplace revolution (Rittich, 2004, p. 117). Although trade unionism and the intellectual underpinnings of the labour movement were instigated around and by women (Boston, 2015) just as much as they were by men, the fact remains that once institutionalised, the labour movement became focused on the needs and concerns of the standard male worker. We can see examples of this in the writings of Sidney and Beatrice Webb (Webb & Webb, 1902, p. 757), who argued that it is

> for ever hopeless to attempt, by Mutual Insurance or Collective Bargaining, to raise appreciably the wages of the common run of women workers. Where, as is usually the case, female labor is employed for practically unskilled work, needing only the briefest experience; or where the work, though skilled, is of a kind into which every woman is initiated as part of her general education, no combination will ever be able to enforce, by its own power, any Standard Rate, any Normal Day, or any definite conditions of Sanitation and Safety.

If this is the premise, then it is perhaps not surprising that trade unions have historically been largely ineffective in organising women. Instead, they have often played a significant part in maintaining women's disadvantage in the labour market (Briskin & McDermott, 1993). Women were initially excluded entirely from trade union membership or, later, restricted in the type

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of jobs that they could accept in order to avoid them actively competing with men (Fredman, 1997a, p. 114). Instead, women workers largely became part of the women's movement – viewed as 'the other' or a 'problem' (Bornat, 1986, p. 207) and often subjected to outright hostility – rather than an integral part of the British workers' movement. Women workers' early attempts to take collective action against their employers were perceived as a serious threat to social cohesion. A commentator on a female mill workers' strike in 1835 wrote that female militancy was 'more menacing to established institutions even than the education of the lower orders' (Raw, 2009). Once they ventured beyond work such as spinning and weaving – considered extensions of 'womanly duties' – into the factories, women workers were considered a real threat to societal order and moral values due to their non-compliance with the normative model of work around which mainstream union activities, including collective bargaining, were based. Women's very participation in paid work threatened the 'family wage' of their fellow male workers and challenged the organisation of workers within specific workplaces (Fraser, 1994).

On the one hand, the landscape for women workers in the UK has changed significantly. Frances O'Grady now leads the British Trades Union Congress (TUC) and almost a quarter of TUC affiliates are led by women. Women trade union members outnumber men and the average British trade unionist is a young white degree-educated professional woman (although it may be of little comfort to find that women's influence is expanding in a labour movement that is declining). Nonetheless, trade unions have often failed to adapt their structures to the changing make-up of the labour force and to changing employment relationships. A large proportion of women members are not always reflected in branch officers, workplace representatives, and national officers, and as a result, trade unions are struggling to shake off their image as the representatives of white working-class and blue-collar men (Fredman, 1997b, p. 137). In addition, women's position outside the mainstream labour movement has largely sustained up to the present day when gendered occupational segregation and the prevalence of non-standard work raise questions concerning the relevance of traditional trade unionism to most women's working lives. Yet union revitalisation is dependent on the repositioning of unions as representative agents for women and minorities, and it is widely recognised that trade union renewal depends on representative membership which reflects the actual world of work.

In this chapter, we argue that trade unions have struggled to adapt to enable their full engagement with and representation of women workers because of their continued embeddedness in the standard (male) model of employment. As well as neglecting or failing to serve the needs of large sections of the female workforce, this continued attachment to an outdated model of the industrial worker, which is based on notions of a family wage, generally hampers efforts to organise (male and female) non-standard workers, including those in the gig economy. Perhaps unsurprisingly, it seems that the participation of men in non-standard work, largely through their engagement in gig economy jobs, may at last catalyse action on this issue. However, without a fuller consideration of the contribution made to paid ('productive') labour by the unpaid ('reproductive') labour, largely performed by women, there is a risk that the adaptions made by unions to facilitate the inclusion of such non-standard workers will simply replicate the mistakes of the past. Rather than a truly inclusive and progressive model for worker representation, this could result in accommodations to the existing model to enable incorporation of some types of non-standard work arrangements, primarily those categorised as aligning with the gig economy while continuing to exclude other long-standing but less-high-profile arrangements.

A feminist perspective is therefore critical in order to explain both trade unions' general lack of engagement with women workers who have, over several decades, undertaken paid work under non-standard arrangements and the challenges posed to trade unions by the gig economy.

In this chapter, we use Catharine MacKinnon's theory of the state and Martha Fineman's vulnerability theory to contest the apparent received wisdom that these 'new ways of working' have led to a current revolution in the world of work. We posit that the 'revolution' has in fact been happening for far longer than contemporary analysis might have us believe and has long been led by women workers who have had to engage in and adapt to part-time, temporary, and often precarious working arrangements because of the limited opportunities to balance paid work with the high levels of unpaid care for children and others. Seen in this light, the gig economy is just the latest wave of supply led flexibility. Responding thereto raises questions concerning the dichotomisation of the public and private divide, which has long characterised the social, economic, and political ordering within the UK and other similarly situated countries within the Global North. Feminist theory offers valuable insights into alternative approaches which might be used to effect sustainable social change through the state and those institutions concerned with improving the lives of workers. The chapter, therefore, concludes by considering the lessons that could be learned by trade unions in order to broaden their appeal to those who work under non-standard arrangements within and beyond the gig economy.

2. Framing work from a feminist perspective

In her groundbreaking theory of the state, Catharine MacKinnon (MacKinnon, 1988) explored how the world – and its structures, institutions, and relationships – is built on a male perspective, resulting from men's dominance over the public sphere and reflective of man's experience of the world and its operation. Feminism 'unmodified', as expounded by MacKinnon, provides an account of the power relations that pervade these structures, institutions, and relationships which, if deconstructed from a female perspective, would require the dichotomous separation of public and private to be reconsidered so as to enable proper account to be taken of women's lived experiences.

> Feminism criticizes this male totality without an account of our capacity to do so or to imagine or realize a more whole truth. Feminism affirms women's point of view by revealing, criticizing, and explaining its impossibility. This is not a dialectical paradox. It is a methodological expression of women's situation, in which the struggle for consciousness is a struggle for world: for a sexuality, a history, a culture, a community, a form of power, an experience of the sacred.
>
> (MacKinnon, 1983, p. 637)

Women's invisibility in the structures and arrangements that ordered society meant that feminism lacked a theory of the state and its operation. In building a feminist vision of the political system and related institutions, MacKinnon argued for feminism to be unmodified as she recognised that attempts to include women in pre-existing theoretical schema merely result in modified versions which apply theory developed without any full or adequate consideration of women's lives, so that 'socialist feminism' is Marxism applied to women and 'liberal feminism' is liberalism applied to women. MacKinnon's 'feminism unmodified' starts with women's actual experience in recognition that many women are situated very differently from men. Furthermore, 'women's issues', which become sidelined and marginalised in the context of the male-dominated notion of the state, are actually 'issues central to women's survival' (MacKinnon, 1983, p. 643) – rape, violence against women, pornography, sex work, abortion, sexual harassment, sex discrimination. Although referred to as 'radical feminism', it is difficult in retrospect to see what is so radical about this starting point which adopts a post-Marxist stance to produce

a methodology in its own right rather than an accommodation of a pre-existing (and woman-exclusive) stance.

The work of MacKinnon and other so-called second-wave feminists,[1] with its realisation that 'the personal is the political' (MacKinnon, 1988, p. 95), did instigate a change in consciousness leading to important reforms in some areas of public life including the workplace. In the UK the introduction of laws providing the right to equal pay between women and men and prohibiting sex discrimination[2] were early features of a framework aimed at improving women's experience of paid work. Bolstered by its membership of the European Union in 1973, the UK's framework continued to expand in the 1980s through the incorporation of paid maternity leave and rights protecting expectant and new mothers from workplace discrimination. MacKinnon's work on sexual harassment (MacKinnon, 1979), which led to its recognition as a form of sex discrimination under Title VII of the Civil Rights Act 1964, undoubtedly influenced the development of similar approaches in the EU's and UK's legal systems.[3]

Alongside MacKinnon's reimaging of the state and the proactive legal reform that resulted from feminism's second wave, early feminist theorists advanced important critiques of existing methodological approaches. Marxist theory, with its focus on class and capitalism, omitted to provide an adequate account of patriarchy so that the resulting analysis of the state takes place largely through the prism of the male perspective and, thus, fails to provide a path to liberation for women. The class system itself is imbued with sex-based inequality and reproduces its own hegemonic hierarchy in which, because they bear a disproportionate share of unpaid reproductive labour, women's place is of less value than that of men. This lack of attention to and exclusion of women's experience colours all structures and institutions related to the class struggle including those, such as trade unions, which are intended to improve the lives of 'workers' who, under this formulation, acquire a particular form and purpose in the resulting modus operandi and associated arrangements.

In order to reflect women's experiences in the class struggle and in the fight for worker empowerment, traditional industrial relations machinery would require to be reimagined so as to include unpaid care work alongside waged labour. However, political and legal forces have combined to further entrench the distinction between the private sphere of home and the public sphere of work, with women increasingly confined to the former and their engagement in paid work characterised as a form of exceptionalism to be accommodated through atypical or non-standard arrangements, with no account taken within those arrangements of the reason for their existence (Busby, 2011).

This separation between home and work, the private and public, and reproductive and productive labour is reflected in Britain's post-war settlement and the creation of the modern welfare state, which was intended to herald a new social contract between the state and its citizens with a focus on social intervention and redistributive policies intended to provide protection 'from cradle to grave'. The Labour Party's victory pledge following the 1945 general election that it would provide for the people 'from cradle to grave' gave it a mandate to strengthen welfare state provision so that in 1945 family allowance was established which provided financial support for low-income families and national insurance was introduced in 1946. However, despite an increased emphasis on the state's role in protecting and advancing the rights of workers, unpaid care remained an exclusively female activity that took place within the private and unregulated confines of the family home with women's waged labour viewed as being for 'pin money', secondary to their care commitments and to that of men in their role as 'breadwinner' responsible for bringing home the family wage. State interference in household arrangements, although seemingly innocuous and *laissez faire*, was distinctly coercive in protecting and maintaining this gender order (Busby & James, 2020). Judy Fudge has observed,

> In developed economies after World War II, employment and the family were sharply separated and regulated by their own distinctive technologies. The boundaries between home/market and public/private became deeply inscribed in contemporary legal doctrines, discourses, and institutions such that the initial jurisdictional classification appeared natural and inevitable and not political and ideological.
>
> (Fudge, 2015, pp. 14–15)

The advent of liberalism as the pervasive and dominant political philosophy of the 20th century brought opportunities for further concealment of pre-existing boundaries, and the notion of a 'free' market which provided states with an apparent means of escaping responsibility for continuing inequality and disadvantage as the market, left to its own devices through the dual forces of supply and demand, will correct anomalies where they exist with no need for state intervention. Under this conceptualisation, the amorphous and pervasive shapeshifting of the market enables its unfettered entry into all areas of social and economic life. As Fineman has noted (Fineman, 2018, pp. xii-xiii), unlike the seemingly intractable categorisation of the public realm of state and the private realm of family, the market retains a non-dichotomous 'chameleon-like' form so that it can be either public or private depending on context:

> Markets are constructed as public (and therefore under a different, competitive set of norms) when contrasted with the family, but as private (and therefore not easily susceptible to public regulation) when paired with the state. Law and Economics decidedly views the market as a private realm and views the intervention of the public government into market activities in the form of governmental regulation as suspect.

Against the backdrop of liberalism, feminist scholars have provided important critiques, not just of the public world of state but also of the private realm of family. Carole Pateman's concept of the sexual contract showed how the social contract entrenched men's political domination over women, as well as men's right of access to women's bodies, both legitimated by the marriage contract (Pateman, 1988, p. 2). Thus, contracts made in both the private and public realms were and continue to be informed by and imbued with patriarchy. With their focus on the public sphere and production within the social and economic construct of the 'labour market', contemporary understandings of contract obscure its patriarchal roots and mask the dependency of the market on the reproductive work performed within the private sphere (Pateman, 1988, pp. 4, 11). The whole notion of the contract as an expression of freedom is false if not everyone can participate equally in its creation (Pateman, 1988, p. 6). Likewise, the construct of the liberal subject has evolved through a rhetoric of the 'individual as owner of oneself' (Pateman, 1988, p. 8) and promotes the idea that all contracts involving property in the person are free (Pateman, 1988, pp. 14–17). Despite Pateman's compelling analysis of the social contract, which revealed its deeply flawed nature due to its predication upon and neglect of the sexual contract, it continues to provide the basis on which institutions and relationships in both the private and public realms are grounded and reproduced.

The central planks of liberal theory – that the market is autonomous and free from state intervention and that the state is, in turn, neutral and inactive – have been critiqued by Martha Fineman through her vulnerability theory (Fineman, 2008–2009), which offers an alternative account of the market and the state's role in social and economic ordering. In Fineman's view, the state is always active, and the central question we should ask ourselves is 'in whose interests does it act?' (Fineman, 2010). Likewise, the notion of markets as naturally occurring, self-sustaining phenomena is replaced by an understanding of them as man-made constructs imbued with an innate ability to preserve

and sustain pre-existing hierarchies of power and privilege. Fineman's focus on the 'liberal subject' (Fineman, 2008–2009) as the misplaced beneficiary of the state's activities is echoed in the *Homo economicus* of neoclassical economic theory and in contemporary modelling concerning the standard worker as the idealised target of labour market regulation. The liberal subject is rational, autonomous, and unencumbered so that he is able to participate freely in the contractual relations necessary for the operation of the market through the performance of productive labour. Notwithstanding the encumbrance such an individual almost certainly places on others who are required to perform reproductive labour on his behalf, this formulation overlooks the basic human need for interconnectedness which arises from our universal vulnerability (Fineman, 2019, p. 357).

In Fineman's view, we are all inherently and inescapably vulnerable through both our embodiment and also through our embeddedness in social institutions, relationships, and arrangements, which are themselves vulnerable to changing extraneous circumstances, including government policy (Fineman, 2008–2009, p. 11) (Fineman, 2010, p. 269). The counter to vulnerability is not invulnerability, which is a false state, but resilience, which as individuals we have varying capacity to build depending on a range of factors, including the social networks and other resources at our disposal. Fineman argues for a responsive state, which is attuned to and acts on behalf of the vulnerable subject, who, as the true subject of legal and policy intervention, is representative of all of us. Under this formulation the state 'fulfils [its] responsibility primarily through the establishment and support of societal institutions' (Fineman, 2010, p. 255), including those concerned with improvements to working conditions and broader social justice concerns within the context of work – be it paid productive labour or unpaid reproductive labour.

In considering trade unions' responses to changes in the social and economic arrangements surrounding work, a feminist analysis has much to offer. MacKinnon's call for feminism unmodified in constructing a new theory of the state, its role and relationships throws a spotlight on the exclusion of women from the central institutions concerned with workers' rights and collective bargaining arrangements. Given the lack of a feminist theory of the state at the time in which MacKinnon made her initial observations, it is hardly surprising that trade unions were not attuned to the ways in which women workers were so differently situated from their male counterparts or that the unpaid care largely performed by women within households was not considered relevant to their operation. What is surprising is how little has changed in the intervening five decades.

Current concerns regarding how unions might better engage with and represent the interests of those who work under atypical or non-standard arrangements has been sparked, not by decades of women's work on part-time, temporary, and precarious bases but rather by the advent of the gig economy. Fineman's critique of liberalism and rejection of its central tenets as fictive, especially the liberal subject as the target of state action, offers a compelling empirical account of why this is the case. While the trade union movement, by its very existence, recognises that an active state is a necessary component in challenging the assumed corollary between the market and the achievement of individual freedom, where women are concerned, related action has all too often been subsumed by the traditional trappings of liberalism predicated on assumptions concerning the nature of work, including how and by whom it is performed. Due to its continued dominance by men and an outdated attachment to an industrial model of production, the labour movement itself has in many ways – both concealed and exposed – become co-opted by those concerned with the preservation of the status quo, and this preoccupation has disabled it from alignment with the central goals of feminism – namely, the empowerment of women and the transformation of institutions dominated by men. The antithesis of the liberal subject and his incarnation as the standard worker is the non-standard worker. In the next section, this concept is further explored within the contrasting contexts of the paid work long performed by women and the newer forms of non-standard work incorporated in classifications of the gig economy.

3. The changing world of work

There is a considerable and diverse body of literature which examines the changing nature and composition of labour – referred to using various terms such as 'precarious', 'non-standard', 'contingent', 'atypical', 'insecure', and 'flexible'.[4] Global economic factors and the changing contours of work, and workplace relations have led to a reorientation of the social, economic, political, and cultural environment, within which labour law has developed and a changing role for labour law itself is precipitating (Fudge & Owens, 2006, p. 5). While collective bargaining in conjunction with legal intervention to protect workers who fell outside its sphere used to be the primary source of protection for workers in the post-war era, individual rights were increasingly extended during the 1960s and 1970s to workers both within and outside the collective bargaining arena. Instead of targeting workers who, for a variety of reasons, found themselves working under precarious arrangements, this legislation introducing individual rights was based on two general principles: first, that the floor of rights should not be available to those who were entrepreneurs in their own right, and second, that some rights at least must be 'earned' by a period of service with the employer (Fredman, 1997a). In the intervening years, labour law has increasingly been used as a tool to 'reduce the burdens on business' and thereby facilitate a low-cost flexible workforce. Labour law policies have been driven by the view that a low-cost and highly flexible workforce is essential to increased competitiveness and lower unemployment (Deakin & Wilkinson, 1996). This entailed the adoption of a series of measures, including the removal of minimum wage protection, weakening of trade unions, and diminishing the coverage of employment protection legislation, as well as facilitating a ready supply of low-cost labour both within and from outside the UK (Harvey, 1989). Marginal workers were seen as attracting not more but less protection from the law than standard workers – a policy decision which had a 'disproportionately serious impact on women' (Fredman, 2006, p. 184) who were over-represented in non-standard work. At the same time, reform of welfare and tax regimes encouraged a fundamental shift away from the male breadwinner employment norm to a new multi-earner family model whereby women were actively encouraged to work outside the household (Fudge & Owens, 2006, pp. 14–15). This had a profound impact on women's labour and labour market participation at a time when there has been an 'intensification and erosion of gender in the labour market' (Fudge & Cossman, 2002).

In addition to these policy decisions which reshaped the legal framework regulating the work relationship and had a knock-on effect on the constitution of the labour market, factors such as the decline in manufacturing and the rise of a new economy based on modern information-based systems and technologies have all contributed to a 'rapid disintegration of the old industrial model of employment' (Fudge & Owens, 2006, p. 3). In legal terms, there has been a proliferation of non-standard contractual arrangements which govern the work relationship, including part-time work; fixed-term work, temporary agency work, dependent self-employment, and work on the basis of zero-hour contracts. The level of legal protection afforded to those who work under such arrangements varies, but they are often associated with insecurity, precarity, and limited, if any, employment rights. The enhanced focus on the market as the arbiter of labour standards and resulting deregulation coupled with the intensification of supply-led flexibility combined to further entrench the liberal subject (Fineman, 2010, 2008–2009) as the preferred target of legal intervention. This left many women workers outside of the law's protection due to their propensity for non-standard work as a way of balancing it with the provision of unpaid care.

The exponential growth in work in the so-called gig economy is the latest development in the changing world of work (Adams-Prassl, 2018). The gig economy is generally understood

to include two main forms of work: 'crowdwork' and 'work on-demand via app' (De Stefano, 2015–2016, p. 471). The former refers to a work situation where a series of tasks are completed through online platforms. The online platforms establish contact between individuals and organisations. The latter describes a form of work where the execution of traditional working activities, such as transport, clerical work, or cleaning, is channelled through apps that are managed by firms who also require minimum quality standards of service and intervene in the selection and management of the workforce (De Stefano, 2016). In both cases, workers are required to be extremely flexible (which is often cited as a positive aspect of the work but which leads to increased competition between workers, often on a global scale; to very long hours worked; and, extremely low earnings); are afforded few, if any, labour protections; and are remunerated only for actual time worked and work completed. There is almost no human contact in most transactions either between the worker and client, the worker and platform/firm, or the client and platform/firm. Coupled with the very nature of IT-based work, this leads to a dehumanisation of the individual worker (De Stefano, 2015–2016, p. 477).

One rarely comes across the term 'work', 'worker', or 'labour' in the gig economy, and in practice, many platforms or firms classify their workers as independent contractors. However, evidence suggests that in most cases the worker is rarely operating independently and that, for many workers, money earned in the gig economy is an essential source of income.[5] Against this background, de Stefano and Berg suggest that 'gig economy work is simply twenty-first century casual work rebranded' (Berg & De Stefano, 2017).

The increase in precarious or non-standard work undermines labour law and labour institutions which have been created around the concept of standard employment relationships. Yet this dichotomy in language ignores the nature of women's work during this and earlier periods, which was often concentrated in precarious or non-standard work (and which, thus for them, was 'standard') (Fudge & Vosko, 2003). It is only now that more men are working in precarious forms of work – previously identified with women – that policymakers', mainstream academics', and trade unions' attention turns to these workers and their non-standard nature is seen as cause for concern. The starting point in most debates is that such work is a problematic deviation from the standard (male) norm. In these debates, the gig economy is portrayed as masculine: a male taxi driver, a male bicycle courier, a male delivery driver. The litigation that has occurred (for example, against Deliveroo, CitySprint, Addison Lee, or Uber in the UK) largely reflects this portrayal. We rarely see images associated with the gig economy which portray it as represented by a female cleaner, a female childminder, or female administrative support even though all of these services are available on platforms such as TaskRabbit and female participation in the gig economy is high. The gig economy is also becoming increasingly widespread in sectors traditionally occupied by women, such as homecare work where carers can be matched with clients through an app and where carers' working lives and different shifts for different clients or care homes are increasingly organised online using specialist software.

The language of the standard employment relationship, therefore, loses credibility, and we see a shift away from the male breadwinner model towards a 'feminisation of work' (Fudge & Owens, 2006). Feminisation in this case has a double meaning, referring both to 'the increased labour market participation of women and the proliferation of forms of employment historically associated with women, that is, jobs that are part-time, temporary, poorly paid, and lacking benefits and collective forms of representation' (Fudge & Owens, 2006, p. 12). This is not to say that there has been complete convergence between men's and women's work within atypical forms of work; occupational gender segregation and equal pay differentials persist (Fudge & Owens, 2006). There is also mounting evidence within the gig economy specifically that women experience discrimination at the hands of algorithms or ratings, which are used to allocate work

(Kullmann, 2018). As Valenduc and Vendramin point out, the flexible nature of work in the gig economy entrenches gender segregation in the private sphere and reproduces gender power (Valenduc & Vendramin, 2016, p. 37). Yet seen from this perspective, work (by men) in the gig economy, rather than being revolutionary, is a continuation of the kind of work that has been performed predominantly by women workers for decades.

4. The challenge to trade unions and lessons to be learnt

The rise of the gig economy has injected a sense of urgency into the debate on how trade unions should respond to non-standard work. The lack of human contact and the wide dispersal of people across large geographical areas pose a particular challenge for trade unions, which does not exist in the same way for other non-standard forms of work. This (again) raises the question of how to organise, represent, and regulate non-standard work at a time of union decline[6] and limited legislative support. The move to individual rights rather than a labour law system which includes collective bargaining underlines this dilemma for unions[7] and 'weakens trade union capacity to regulate work and employment within the national boundaries in which they are embedded' (Gumbrell-McCormick & Hyman, 2013, p. 29). Moreover, 'changes in social values and expectations of workers towards unions' (Ebbinghaus & Visser, 1999, p. 143) have forced unions to reassess their traditional role as worker associations.

In light of the nature of work in the gig economy – precarious, geographically dispersed, and often low skilled – certain parallels can be (and have been) drawn with women worker attempts at organising in the 19th and early 20th centuries (Flanagan, 2019). Barbara Drake, writing in 1920, describes various instances of joint trade unions or women's trade unions being successful in organising women non-standard workers precisely because it took the workers' lived experiences as a starting point (Drake, 1984). One such example is that of the Domestic Workers' Union (DWU) formed in 1909 which lasted until 1913 and organised domestic servants (Schwartz, 2014). Organisation of these workers was done by correspondence with the newspaper *Women Worker* initially being the main forum until a more permanent structure was set up. Key was building a sense of solidarity among these workers, figuring out what these women needed and catering to their needs – an approach that can be aligned with that advocated by the second-wave feminists of the 1970s and 1980s (MacKinnon, 1988). The young (working-class) women who joined the DWU saw their grievances as extending beyond the individual mistress-maid relationship to connect with wider experiences of workplace exploitation. This meant that they demanded that women's work in the home – usually regarded as 'non-work' – should be considered as work just like that of factory girls or miners with corresponding rights and protections. For example, a proposal was made to the Trades Union Congress asking that 'the private houses where they are employed should be inspected by officials, such as factories were currently subject to'. Other demands included keeping a blacklist of employers, campaigning for adequate board and accommodation, helping 'unfortunate' (pregnant) girls, and trying to reform the 'character' (reference) system. The DWU, like other women's labour activists, thus shifted attention away from traditionally male spheres of work to less visible labour taking place in the private sphere of the home. Although the DWU did receive some support from predominantly male trade unions, its success depended primarily on its alliance with the suffragette/broader women's movement (Schwartz, 2019).

Much of the contemporary organisation of workers in the gig economy in the UK has also occurred at a grassroots level – beyond established union structures – by the Independent Workers Union of Great Britain (IWGB). The IWGB was founded in 2012 and is a small, independent trade union – not affiliated to the TUC – whose members are predominantly

low-paid migrant workers in London. In its work, it focuses on high-profile campaigns which are of concern to its membership more broadly including but not limited to issues at work – for example, on the congestion charge, which has a negative effect on the low-paid workers in London but is not directly linked to work itself, or on violence against women, which affects women at work but also outside of work. This recognition of the impact of factors outside of narrow contractual conceptions of work echoes the efforts of the DWU and other examples of successful women's organisation and provides a possible route to a more holistic consideration of a whole working life, including how different forms of labour, including reproductive, interact with paid work. The IWGB has so far acted as a dynamic and cooperative model with very limited or no hierarchies (in contrast to the democratic centralism, which characterises 'traditional' trade unions (Mückenberger, et al., 1996, p. 12), and with noticeable success in organising and campaigning within specific sectors dominated by non-standard (male and female) workers including for couriers working in the gig economy.

The success of the IWGB and other forms of grassroots organisations in organising non-standard workers raises the question whether 'traditional' trade unions are able to effectively respond to the rise of non-standard forms of work, and to the gig economy in particular. It is suggested that part of the difficulty for these trade unions lies in their outdated attachment to an industrial model of production, based on a gendered understanding of 'norms of employment, assumptions about who workers are and what they need, and ideas about how regulation works' (Fudge & Owens, 2006, p. 3). This means that trade unions' primary concern has been the regulation of the employment relationship through collective bargaining. Yet this is for the most part not feasible for non-standard (predominantly female) workers due to the absence of government support for collective bargaining, often hostile employers, and a lack of effective representation of these workers by trade unions. As a result, unions implicitly continue to act as active defenders of privileges of standard (male) workers. Collective bargaining and work regulation by trade unions is also often concerned with industrial or economic matters, whereas issues that affect women workers and non-standard workers more broadly, such as job segregation, (numerical) worker flexibility, and a systematic undervaluing of non-standard (women's) work, are considered social or equality issues (Blackett & Sheppard, 2003, p. 432) despite the fact that they constitute subtle forms of job regulation which have the effect of keeping 'women [and non-standard workers] in their place' (Forrest, 1993, p. 336).

5. Conclusion

The current focus on the gig economy as an organising force for trade unions is thus welcome, but without careful consideration of the often narrowly defined parameters of what constitutes the gig economy, there is a real risk that much of the paid work traditionally performed by women will be excluded from its scope. To achieve a more inclusive approach requires the adoption of a broader conception of work which incorporates all forms of labour – paid and unpaid, productive and reproductive, physical and emotional. Collective action, be it organised through traditional trade union structures or by newer, less formal means, offers a route to sustainable social change which is clearly aligned with the values and ethos of the women's movement. In her call for a feminist theory of the state, MacKinnon highlighted the importance of consciousness raising by which the reality of women's lived experience should be incorporated and analysed as the starting point for engendering individual and social change (MacKinnon, 1983, p. 519). Such an account would recognise the importance of interdependency as essential to the human condition in place of the fictive independence and autonomy on which the enduring model of the standard worker is premised and which continues to serve as the

paradigm target for state intervention in the form of individualised employment rights in place of representative forms of collective negotiation.

Fineman's notion of the vulnerable subject as the rightful target of state intervention enables the inclusion of all aspects of a human life to be considered in the formulation of laws and policies aimed at building individual and institutional resilience as a means of countering our universal and inevitable vulnerability. The incorporation of lived experience in the strategies used by organisations which aim to represent the interests of workers may appear to require radical rethinking, and in many respects, this is true due to the entrenched and often narrow conceptions of workers and work that have permeated the trade union movement since its inception. However, surely such reimagining, which would require inclusion of the different facets of a human life and how they intertwine to impact profoundly on an individual's engagement with paid work, is critical if such institutions are to be truly representative. The predominance of the market and the intensification of supply-side flexibility highlights the ever-present potential for worker exploitation.

The high profile given to the gig economy and recognition of the need for better regulation of atypical working arrangements demonstrates the presumed role that the state and its institutions continue to play in the constitution and operation of labour relations. Rather than a neutral player in this context, the state is always active. Under Fineman's estimation, a responsive state (Fineman, 2010) and its institutions should act for all, not just the liberal subject who finds his counterpart in this context in *Homo economicus* (Fineman, 2018) operating under the guise of the standard worker. A focus on the all-encompassing and fully inclusive notion of the vulnerable subject – whether a male bicycle courier or a female care worker; a standard or a non-standard worker – requires a re-evaluation of dependency and consideration to be taken of the full spectrum of workers' lived experiences in the formulation of state responses (Busby & James, 2020). By renegotiating the distinction between the private and public realms of home and state and associated normative concepts, collective action in this context has the capacity to confront an array of contributory features of worker exploitation, including job segregation, (numerical) worker flexibility, and the systemic undervaluing of non-standard work, including where it is performed within the gig economy. This reformulated understanding of work as the focus of solidarity within the labour movement would enable the inclusion of *all* work – both paid and unpaid – and, by extension, non-standard work more broadly, whoever it is performed by, to be worthy of inclusion in the continuing struggle for social justice.

Notes

1 In which the focus was on the attainment of legally constituted social and economic rights in contrast with the civil and political rights, including the right of suffrage, which characterised first-wave feminism.
2 Introduced into the UK by the Equal Pay Act 1970 and the Sex Discrimination Act 1975, both effective from 1975.
3 See the European Union's Equal Treatment Directive 2006/54/EC (Recast), Article 2(1)(c) and the UK's Equality Act 2010, section 26.
4 For comprehensive references to the debate see the contributions in (2016) 37(3) *Comparative Labor Law and Policy Journal* on 'Crowdsourcing, the Gig-Economy and the Law'.
5 This was confirmed by an increasing number of court judgments in different European and North American jurisdictions which have recognised that these workers are indeed 'workers' in a legal sense. The most famous case in the UK is the 2021 decision in *Uber BV and others v Aslam and others* [2021] UKSC 5.
6 See further the special issue of the (2011) 17(2).
7 Equally, much of the literature which has considered alternative conceptions of 'worker' in order to encompass workers in the gig economy does not seem to move away from the individualised approach.

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11

LIMINAL PRECARITY AND COMPROMISED AGENCY

Migrant experiences of gig work in Amsterdam, Berlin, and New York City

Niels van Doorn

1. Introduction

The past years have seen a considerable growth of gig economies across the globe (Charlton 2021). This growth has been accompanied, if not indeed enabled, by a significant shift in the composition of the workforce that drives these primarily urban economies. While this workforce continues to be marked by its heterogeneity (Schor 2020), the people who service customers via an app are increasingly likely to be migrants (Alderman 2019; Bandeira 2019; Markham 2018). While reliable statistical data on the share of migrant workers in national gig economies is scarce (for an exception, see ILO 2021), qualitative research has started to document migrant gig workers' prevalence and their plight. Recent scholarship has examined migrant experiences in on-demand food delivery, ride-hailing, and domestic cleaning work across cities in Europe (Altenried et al., 2020; Altenried 2021; Van Doorn 2020a/b; Tassinari and Maccarrone, 2020; Metawala 2021), Latin America (Velasco and Martínez, 2020; Weber et al. 2021), North America (Lam and Triandafyllidou, 2021; Holtum et al. 2021), Africa (Hunt et al. 2019; Pollio 2019), and Australia (Veen et al. 2020). In China and India too, rural to urban migration supplies a steady flow of platform workers in the care, food delivery and logistics sectors (Chen 2019; Raval 2020; Tandon and Rathi 2021; Chen and Sun 2020).

The prevalence of migrants in the gig economy workforce makes sense from the perspective of the corporate platforms that govern this work: as these companies continue to pursue scale, shareholder value, and – increasingly – a road to profitability, they require a reliable labour supply that remains stable despite the progressive deterioration of wages and working conditions across markets (Van Doorn and Chen 2021). Given migrants' relative distance to the labour market, their limited familiarity with national labour regulations and institutions, and their restricted labour market mobility due to a frequently precarious legal status, they are particularly vulnerable to exploitation and face more significant obstacles to resisting poor working conditions than native workers (Saucedo 2018). Although recent migrant-led organising efforts have forcefully demonstrated that migrant gig workers can and do contest platforms' unfair and exploitative practices despite such obstacles (Cant 2019; Tassinari and Maccarrone 2020; Dzieza 2021), many continue to – reluctantly or gladly – accept rides, deliveries and cleanings via their apps. The question, one that scholars are only recently beginning to explore, is why this

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is the case: what are the push and pull factors that explain migrants' ongoing engagement with platform-mediated gig work?

This chapter examines what moves migrants in the Global North to take up gig work and stick with it for various periods of time despite its by now well documented precarious conditions, by investigating the role that gig platforms play in their life-building trajectories. Drawing on two years of ethnographic fieldwork in three Global North cities – New York, Berlin, and Amsterdam – I assess the opportunities and challenges of app-based food delivery and domestic cleaning, specifically, as these are negotiated by migrant workers with a variety of different socio-economic backgrounds, educational accomplishments, and skill sets. Historically, both food delivery and domestic work have been characterised by informality and exemption from – or absence of – regulatory frameworks in all three national settings included here, shoring up the gendered and racialised exploitation of the immigrants and minorities who continue to shoulder most this work (e.g. Gutiérrez-Rodríguez, 2010; Lutz and Palenga-Möllenbeck, 2010). Gig economy companies have taken advantage of this regulatory void by quickly scaling their business, mobilising platform architectures, venture capital, and cheap labour to turn previously marginal(ised) economic transactions into the basis of a capital- and data-intensive global industry. It was at this point that regulators started to take a more serious interest in the precarious conditions of this ostensibly 'new' type of work.

Even though precarity has been a prominent theme in the burgeoning gig economy literature, a focus on migrants' experiences of precarity in relation to locally embedded platform labour has so far been relatively scarce, with some notable exceptions from the Global North (e.g. Altenried 2021; Holtum et al. 2021; Lee 2021) and the Global South (e.g. Raval 2020; Hunt et al. 2019; Mpofu 2020). Moreover, when gig workers' agency in the face of their precarious circumstances has been a topic of research, most studies have examined individual and collective forms of resistance to these circumstances (e.g. Cant 2019; Tassinari and Maccarone 2020; Howson et al. 2020). As important and insightful as these studies are, also for understanding the collective power of migrant gig workers, in this chapter I focus on relatively minor and everyday modes of agency that are less spectacular than efforts at organised resistance yet are still critical to how migrants manage to sustain their livelihoods and affective attachments to a better future.

Ultimately, the kind of agency I am interested in here moves 'in, against, and beyond precarity' (Alberti et al. 2018: 448), in the sense that it pertains to migrants' struggles to make do and make things – including but not limited to app-based gigs – work in the space between survival and thriving. This is the space of migration trajectories encompassing periods of transit, arrival, and (provisional) settling during which ordinary life is reproduced even as it is reorganised. As we will see, gig platforms are integrated into these trajectories and indeed support them, although they also throw up new obstacles to migrants' (social and labour market) mobility. This generates scenes of struggle and opportunity in which the precarity associated with gig work intersects with prior experiences of vulnerability and insecurity beyond the platform labour context. We therefore need more capacious and nuanced conceptions of precarity and agency that have looser ties to the workplace, in order to get a better grasp of migrants' uniquely ambivalent relationship to app-based work. This is what I aim to work toward in this chapter, which is organised as follows: Section one offers a discussion of how the topic of precarity has been taken up in the gig economy literature and brings this research into conversation with some recent scholarship on migrant workers' precarity and agency. Section two then offers an account of the study's research design and methodology. In section three, which is divided into four thematically organised parts, I present and analyse a series of ethnographic vignettes that narrate the experiences of six migrant gig workers. Section four closes the chapter by discussing the main findings and introducing the

notion of 'liminal precarity' to rethink the ambiguous space between precarity and agency in these workers' lives, followed by some broader concluding reflections.

2. Studying precarity in the gig economy – what's migration got to do with it?

The notion of precarity has featured prominently in critical gig economy scholarship since it first emerged (e.g. Aloisi 2015; Cherry 2015; Dubal 2017). While not always using this specific term or fleshing it out conceptually, a growing number of studies has demonstrated that platform-mediated gig work is precarious insofar as it is marked by unstable pay, job insecurity, minimal worker control, risk-offloading, and/or a lack of labour protections and rights. Since it is beyond the scope and purpose of the present chapter to provide a comprehensive review of this literature, I will instead address some of its key insights and blind spots, in order to analytically frame the ethnographic vignettes presented in the next sections. First, however, I contextualise this discussion by briefly – and necessarily selectively – sketching the emergence and critical reception of the precarity concept.

Precarity and its discontents

While initially introduced in Italy during the 1980s, in the wake of the country's industrial decline, the term 'precarity' gained wider traction in the early 2000s, when it was able to affectively magnetise a new generation of European workers whose livelihoods and working conditions were marked by levels of insecurity previously unseen at such scale (Millar 2017; Alberti et al. 2018). It was able to mobilise these workers because it functioned as an evocative descriptor of a shared feeling, or predicament, offering a vocabulary to express what was only beginning to be theorised academically (Neilson and Rossiter 2008). Since then, '[a]s labour's situation relative to capital has worsened, the prevalence of the term precarity has proliferated' (Alberti et al. 2018: 448), especially in the wake of the 2008 financial crisis (Kalleberg 2018). The Great Recession saw a considerable increase in academic interest in precarity as a capacious political concept and analytical framework, perhaps most popularly represented by Guy Standing's (2013) coining of the term 'precariat' to denote the emergence of a new global contingent class. For its critics, however, Standing's contribution also represented how the burgeoning scholarly engagement with precarity had resulted in a 'significant conceptual overstretching' that threatened to weaken the notion's explanatory value (Alberti et al., 2018: 448). As it was called upon to do more analytical work, precarity was in danger of turning into an empty signifier that hindered rather than advanced the study of contemporary capitalism and class. Moreover, the push to universalise precarity as a globally shared condition of economic vulnerability that could serve as the ground for a new class configuration ignored earlier efforts to situate the concept historically as well as geographically – specifically I the ubiquity of labour informality and social insecurity in the Global South (Neilson and Rossiter 2008; Munck 2013).

Despite such critical corrections, scholars from a wide range of disciplines continue to find analytical purchase in the notion of precarity, even if some have preferred to speak of precarisation to elaborate a more processual understanding of how people's lives are made insecure and vulnerable (Lorey 2015; Alberti et al. 2018). Additionally, theorising precarity as a relational concept allows one to link up 'the micro and macro' (Paret and Gleeson 2016: 280), or the subjective experience of precariousness and the political economic patterns and drivers of precarisation (Alberti et al. 2018), while also connecting the sphere of production to the still less frequently examined sphere of social reproduction (Pang 2019). The latter move widens the

analytical scope beyond practices of exploitation or subordination in the workplace and the labour market, to include an examination of 'how state regulations structure and reproduce conditions of precarity' (ibid.: 560). As I address in the following section, understanding precarity as 'the consequence of an unequal distribution of [state] protection within society, which leaves some groups more exposed to precariousness than others' (Alberti et al. 2018: 449), is particularly helpful for studying the multidimensional vulnerability of migrant workers (cf. Paret and Gleeson 2016).

The (differential) precarity of gig work: research from the Global North and South

If we follow Qi and Li's (2020) analytical schema, which identifies the labour market, the labour process, and labour's reproduction as three 'fields' where precarity can be studied, it is clear that critical research on platform-mediated gig work has so far privileged the first two at the expense of the latter. Indeed, perhaps the main contribution of much gig economy scholarship is its often-detailed accounts of the extent to which platform companies and processes of platformisation have changed the way workers sell their labour power and how this labour power is then managed remotely as a production input. On the one hand, research has focused on the contractual dimensions of gig work, particularly the impact of worker (mis)classification on access to labour rights and protections (e.g. Dubal 2017; Halliday 2021). On the other hand, studies have examined the labour process of app-based service delivery to elucidate how (algorithmic) management practices affect gig workers' income and job security and their ability to exercise control over their work (e.g. Woodcock 2020; Cano et al. 2021). As such, the gig economy literature has located the drivers and dynamics of precarisation primarily within the purview of platform-governed labour markets and processes, at the expense of a more relational approach that teases out how precarity is generated and experienced *on* and *off* the platform – and how these sites intersect (Qi and Li 2020: 509). This limited analytical scope is usually accompanied by the blanket assumption that gig work is degraded work and platformisation entails precarisation (e.g. Van Doorn 2017; Scholz 2017). Understanding precarity relationally, however, demands that it is not treated as monocausal or uniform, instead acknowledging its varied articulation in the lives of differently positioned gig workers who may already experience layered forms of precarity before signing up with a platform.

A relatively small body of ethnographic research has documented gig workers' experiences of precarity across sites of production and, to a lesser extent, social reproduction. These studies attempt to make sense of 'the multiple and often conflicting ways that individuals negotiate the precarious economics of their digital labor – creating pockets of differential precarity within a range of relationships and environments' (Malin and Chandler 2017: 388). In the Global North context, the work of Schor and her team stands out for mapping this manifold nature of precarity, showing how it is mediated by workers' 'platform dependency' and contingent on the type of platform labour performed (Schor et al. 2020). Their research highlights the heterogeneity of the gig economy and its workforce, providing evidence for the existence of a hierarchy in which drivers and delivery workers tend to experience lower income opportunities and worse working conditions than other types of providers, while their higher platform dependency intensifies their precarity (ibid.; see also Ravenelle 2019).

Although the study usefully moves beyond the literature's pervasive preoccupation with ride-hailing and delivery work (cf. Ticona and Mateescu 2018), providing a more nuanced picture of precarity, its inclusion of platforms with high asset requirements (e.g. Airbnb) at the expense of domestic cleaning or care platforms may have led to an overestimation of the

previously mentioned workforce heterogeneity. A number of recent studies likewise set in the Global North, including my own research, has found that many of those currently working in the expanding bottom of the platform economy hierarchy are migrants, whose socio-economic marginalisation renders them more platform dependent – despite being an internally heterogeneous group (Lam and Triandafyllidou 2021; Webster and Zhang 2020; Van Doorn 2020a; Altenried 2021). For instance, research by Altenried et al. (2020) shows how young South American migrants who arrive in Germany on a temporary visa find few job options besides app-based food delivery and cleaning work. While this often suits their needs, the COVID-19 pandemic revealed the risk of working without access to a publicly or privately provided safety net once cleaning gigs dried up and doing deliveries suddenly became 'essential' yet potentially hazardous frontline work. As the authors note, such precarious circumstances demand 'the readiness to move on' (Altenried et al. 2020), yet such mobility will be delineated by the resources and opportunities different groups of migrants have available to them.

Meanwhile, ethnographic research conducted in different areas of the Global South has examined how gig work offers a particular mix of opportunities and challenges in urban settings where formal employment is the exception to the rule of informal labour arrangements and precariousness is a generalised yet unequally distributed condition for large parts of the population. This research generally offers a more complex and expansive picture of precarity that further loosens its causal relation to platform labour by teasing out how gig workers navigate multiple vulnerabilities, orders of worth, and discourses of entrepreneurship in pursuit of platform-derived 'marginal gains' (Pollio 2019; Raval and Pal 2019; Lazzolino 2021). As such, these studies not only continue the work of situating analyses of precarity geographically, but also problematise the generalisability of both commercial and critical narratives about the platform economy in the Global North (Raval 2020). They show how gig platforms operate differently in national and urban settings across the Global South, as they are integrated into local economies and social networks, balancing the threshold of formal and informal markets (Heeks et al. 2020; Qadri 2021). With respect to how migration shapes the growth and composition of urban gig economies, this scholarship also examines the various conditions and considerations that lead domestic, often rural migrants to take up app-based work in large cities while documenting their endeavours on and off the platforms (Surie and Sharma 2019; Prabhat et al. 2019; Chen and Sun 2020).

For example, in her study of ride-hailing drivers in Bengaluru, Raval (2020) found that a combination of agricultural distress, property-related caste hierarchies, and gendered breadwinner expectations drove young men to sign up with Ola and Uber. Echoing the findings presented in this chapter, many of these drivers considered ride-hailing a short-term commitment that could allow them to pay off loans, support their families back home, or invest in education. In other words, gig work was treated as a temporary means to other ends, itself a sacrificial form of investment in which hard work is meant to secure not just one's own (future) livelihood and security but also of one's kin. These findings lead Raval to ask two pressing questions: first, 'what count[s] as *good life* within academic and policy talk on "the future of work"' and, second, 'how do we retool precarity . . . as a non-fatalistic analytic' that extends 'beyond its automatic use to describe material and economic deficit to instead start thinking *with* precarity' (2020: 57, 65 – emphasis in original)? Although my research is situated in the Global North, I am likewise interested in exploring what such a 'non-fatalistic analytic' of precarity might look like in this context, despite the critical challenges of translating and comparing between vastly different settings. This effort may start with the recognition that precarity is as much a generative condition as it is restrictive or destructive. When seeking to think *with* precarity, it is instructive to examine this ambivalence in dialogue with migrant gig workers, by centring their experiences, aspirations, and compromised agency.

Centring migrant workers' agency in, against, and beyond precarity

To be sure, migrant populations are highly diverse, comprising many different backgrounds, education levels, legal status, and migration trajectories. In the Global North context, an extensive body of literature on labour and migration has nevertheless identified a number of common issues and dynamics that are pertinent to the present discussion. For instance, migrants' lack of local language proficiency (Polkowska and Filipek 2020), the non-recognition of their educational accomplishments (Cameron et al. 2019), and their restricted access to national welfare protections (Lafleur and Mescoli 2018) lead them to accept precarious employment. Furthermore, immigration policies mandating income requirements or proof of steady employment to qualify for long-term residence or family visas force migrants to stay in exploitative work arrangements for as long as these help them meet the state's demands (Könönen 2019; Anderson 2010). Despite their difficult position, migrant workers tend to stick with predatory employers because their wages, while low, are still relatively higher compared to their countries of origin (Mackenzie and Forde 2009; Polkowska and Filipek 2020). These predicaments have contributed to the emergence of a 'migrant division of labour' in global cities such as London (May et al. 2007). Meanwhile, studies highlighting migrants' agency in the face of degraded working conditions have shown how they use narratives of persistence, entrepreneurship, and respectability to counter discrimination and devaluation (Saucedo 2018; Wu 2016). However, low-wage employers also leverage these empowering narratives in order to maintain the very forms of structural violence and inequity that they respond to (Valdez et al. 2019).

The agency of low-wage migrant workers has received less scholarly attention than their precarity. This is unsurprising since these migrants have too often been positioned as victims determined by their precarious circumstances. Yet they obviously can and do exert various forms of agency – the question is rather what factors influence the extent to which they can do so and what these various forms look like. As Paret and Gleeson (2016: 282–283) assert, 'the ability for workers to exert agency depends on both their structural locations (as immigrants and workers, but also within other marginalised communities), their institutional context, and their subjective understandings of individual efficacy'. How these factors co-articulate will then establish what modes of agency are possible, ranging from (constrained) decision-making, strategising, and individual and collective forms of organising and resistance to more minor-key negotiations of affective attachments to people, places, and objects embodying changing ideas of the good life (ibid.; Carling and Collins 2018). As Carling and Collins (2018: 911) argue, aspiration and desire constitute prominent if under-researched drivers of migration, and I would add that these 'motive forces' likewise drive the expansion of gig platforms that are becoming part of global migration infrastructures (cf. Collins 2020; Altenried 2021; Van Doorn and Vijay 2021). Examining migrant gig workers' 'affective responses to the possibilities of different places [and platforms], the stories of others and the opportunities and constraints that people face in their lives' (Carling and Collins 2018: 918) can help to advance a non-fatalistic analytic of precarity by accounting for migrants' frequently compromised but not readily defeated agency within and beyond the platform's purview. With this in mind, I will develop the notion of 'liminal precarity' in my discussion of the ethnographic vignettes presented in the next sections, but first I provide an explanation of the study's research design and methodology.

3. Research design and methodology

The argument presented here derives from the findings of an ongoing five-year research project that investigates how digital platforms are providing new opportunities and challenges for

different groups of low-wage service workers in Amsterdam, Berlin, and New York City. These cities have been chosen because they are each prominent tech hubs with thriving start-up cultures and were early testbeds for a variety of gig and sharing economy platforms, making them suitable sites for studying the long-term developments and impacts of platformisation. Over time, these cities' public institutions have maintained an ambivalent and at times antagonistic relationship with the venture-backed firms that inserted themselves into the urban fabric (Pelzer et al. 2019; Seidl 2020; Cassell and Deutsch 2020). Besides such similarities, the three cities can be usefully compared given their different socio-spatial characteristics and their distinct political, economic, and legal climates (which are differently governed on urban, regional, and national scales).

In each city, I conducted eight months of ethnographic fieldwork, resulting in a total of 151 semi-structured interviews with app-based food delivery workers and cleaners (among other types of fieldwork data). I started in New York City in February 2018, then moved to Berlin in October of that year and returned to Amsterdam (where the project is based) in May 2019 for the final leg of the fieldwork period. Significantly, the empirical research thus took place before the advent of the COVID-19 pandemic, although I did follow up with several interviewees to inquire how the pandemic affected them – mostly via private messaging apps. Recruitment for the interviews took place offline as well as online. In public locations across the three cities, I distributed flyers that explained the aims of the study and offered a $15/€15 gift card as compensation for participants' time. This method proved to have a limited yield, especially for recruiting domestic workers, so more effort was put into online recruitment, primarily via gig work-themed Facebook groups, LinkedIn, Craigslist, and other online markets for goods and services.

While the research did not start out with a focus on migrant labour, I specifically increased recruitment efforts in Facebook groups dedicated to the migrant experience in Berlin and Amsterdam once it became apparent that a large share of the participants in these cities had a migrant status or background. I also engaged in snowball sampling, relying on the social networks that I had access to. Although I had already noticed the large number of non-white and migrant food delivery workers in New York, I had at that time not yet structurally thematised migration in relation to gig work, and importantly, it proved to be very difficult to include members of the city's predominantly Latino, Chinese, Pakistani, Bangladeshi, and West African gig worker communities due to language barriers and a climate of fear among (undocumented) migrants living under the Trump administration. Only on one occasion was I able interview two Mexican delivery workers in Spanish, with the help of an interpreter. In all other instances, the interviews were conducted in English. These language barriers were much less of an issue in Berlin and Amsterdam, where most migrants spoke some workable level of English, German, or Dutch (the three languages I master).

In Berlin, 24 out of 25 interviewed cleaners and 24 out of 30 interviewed food delivery workers were migrants, the majority having arrived from Eastern and Southern European countries as well as Chile and Argentina. In Amsterdam, 11 out of 12 interviewed cleaners and 21 out of 28 interviewed delivery workers were migrants, again mainly from countries in Eastern and Southern Europe but also from Brazil, India, Pakistan, and Bangladesh (mostly international students). In New York, 6 out of 34 interviewed couriers were immigrants from Central America and West Africa, with the sample consisting mainly of African American and Latino participants. Similarly, 19 out of 22 interviewed cleaners were African American and Latinx with no immigrants featured in the sample. This absence can be attributed to how the previously mentioned language barriers intersected with the general difficulty of recruiting app-based domestic cleaners, who are much less publicly visible than delivery workers.

Research participants in all three cities worked via multiple different apps, often simultaneously. This was especially the case for food delivery workers. In this chapter, I focus on migrants' experiences with a select number of app-based platforms that were most prevalent in the interviews. In New York, I look at Relay, a local food logistics platform without a customer-serving interface, which was founded in 2014 and operates in several cities along the East Coast of the United States. The company is privately traded and has received funding from a small number of investors,[1] yet more details regarding its financial history and status are not publicly available. In Berlin the focus is on Helpling and Deliveroo. Helpling was founded in 2014, in Berlin, and operates in over 200 cities in 10 countries. Since its inception, it has raised a total of $95 million in funding from 12 investors.[2] Deliveroo was founded in 2013, in London, and operates in more than 800 cities across 12 countries, leaving Germany right after I finished my fieldwork in Berlin.[3] It has raised massive amounts of investment capital, most recently a $575 million Series G round led by Amazon. In March 2021, Deliveroo had a highly unsuccessful IPO, losing nearly a third of its value on the first day of public trading.[4] Finally, in Amsterdam, I likewise look at migrants' experiences with Helpling and Deliveroo, but also including Uber Eats, the Uber subsidiary that is available in over 6,000 cities across 45 countries.[5]

4. The trajectories of migrant gig workers in New York, Berlin, and Amsterdam

Negotiating between the recognition of inevitable space constraints and the desire to flesh out – and thereby do justice to – the stories and experiences of those who participated in this research, I have selected the narratives of six migrant gig workers for inclusion in this section.[6] This selection is based on the extent to which these workers (1) collectively represent the diverging backgrounds and migration trajectories found in the total interview sample, (2) offered sufficiently detailed accounts that enabled a nuanced analysis of gig platforms' impact on migrant precarity in the three cities, and (3) addressed issues and themes that were salient in the overall interview data. Despite the general heterogeneity of not just the research participants' demographic composition but also their experiences across cities, platforms, and types of work, it is the purpose of this section to highlight some overarching dynamics and concerns, which I have organised into four thematic sections: 'The best option available', focusing on migrants' lack of better income opportunities; 'A means to other ends', detailing how they leverage gig work to meet particular goals; 'A lifeline and a modicum of security', inquiring into the extent to which gig platforms can function as a makeshift safety net; and finally, 'The short end of the stick', which shows how these platforms not only have the capacity to ameliorate migrant precarity but also exacerbate it.

The best option available

Andrei, who moved from Romania to Amsterdam 12 years ago, appreciates that Uber Eats allows him to work as much as he wants, which was never an option in his other jobs. For him, this is a form of autonomy to the extent that it grants him the ability to maximise his earnings by working as much as possible. App-based food delivery also allows him to take breaks whenever he wants or to take time off without advance notice if there is a family emergency back in Romania. When he returns to Amsterdam, he is able to pick up where he left off. In our interview, he claimed to work over 100 hours a week, dividing his time between Uber Eats and an automobile repair shop. By working around the clock, he was able to rent an expensive apartment in the city centre, pay his bills and taxes, and send money to his family back in

Romania. He even managed to save some money for a rainy day. Andrei is proud of what he's been able to accomplish, considering that, upon his arrival in Amsterdam, he had just €14 to his name. He was homeless and slept on a small open boat, under a plastic tarp, for a period of eight months. As he couldn't afford to purchase a bike, he put one together using parts from two broken bikes he found on the street. Over the following four years, he would use it daily to cycle six kilometres to the restaurant where he worked (informally) as a cleaner, sending 75% of his paycheck to his family. He eventually managed to find an apartment after landing a construction job, which he combined with his cleaning work. When, after six years, his contract with the construction company was no longer renewed, Andrei decided to sign up for Deliveroo as a stopgap measure, yet what was intended as a temporary gig ended up becoming his (more than) full-time occupation. By the time Deliveroo deactivated his account following an altercation with a restaurant owner, Uber Eats had landed in Amsterdam and signed up Andrei during a heated battle for market share.

Gig platforms are characterised by relatively low institutional barriers to paid work opportunities, which forms a major pull factor for migrant workers like Andrei. These low barriers exist not only because platform companies frequently use an expedited, largely automated online hiring process they call onboarding, but also due to how some companies do not always strictly enforce formal requirements such as business licenses (which independent contractors need in order to operate in many European countries), social security numbers, or work permits. Mohammed, a Syrian refugee in his 30s who arrived in Berlin during Europe's 'long summer of migration' in 2015 (Altenried et al. 2018), found that his tenuous legal status and lack of German language skills presented formidable obstacles to finding paid work. Helpling, however, did not require proficiency in German, and neither did the company demand a business license. All they requested was a valid ID and they accepted the little documentation he had; five days after signing up online he could start accepting cleaning offers. Mohammed suspected that Helpling tactically waives the business license requirement in order to attract more cleaners. People who can obtain a proper business license would probably work elsewhere, he figured, or at least they *should* since, in his view, Helpling is for people who have few alternatives. Accordingly, he sees his arrangement with the platform as one of 'mutual exploitation', where each party tries to leverage the other to the fullest extent.

This was an attitude I encountered frequently across the three field sites. In New York, for instance, Kayode did app-based food delivery because, he insisted, it allowed him 'to work for himself' and make a lot of money as long as he put in the necessary hours and closely 'followed' and 'beat the system'. Five years earlier he had come to the US for business from Nigeria but decided to extend his stay in search for better income opportunities. During this period, he met an American woman and they decided to marry, granting Kayode a green card. As a permanent resident, he had better labour market access than many of the (often undocumented) Central American migrants who do food delivery in the city, yet many jobs would require him to return to school because his Nigerian diplomas are of little value in the United States. This was not really an option, primarily because his family back home relied on his remittances: 'I don't want to go to school because I have many people depend on me. I need something like easy to make the money, to start moving'. Food delivery apps met this need, providing him with a quick way to earn 'more than a lawyer or banker' would make in a week, as he (mistakenly) liked to point out. Up until a while ago, he used to be able to earn a weekly sum of $1,500 with one app alone, but now that 'business was slow' due to increased competition and declining payouts he relied on a mix of four apps to still reach about $1,000 per week. With a mix of pride and frustration, he explained that he really had to hustle in order to follow – let alone beat – the system:

> When they're doing promo [promotional offers; i.e. incentives], anyone that's promo or whatever, you swing with that one, go with that one. They do competition. That's how you're going to see it. When they're going cheap, you go this one, when this one cheap, you go that one.

Kayode switched between apps like he switches his e-bike batteries: when one no longer functioned according to his needs, he quickly replaced it with another. Having an e-bike with multiple batteries is a must if you work all day every day, like he does, despite the recurrent risk of getting fined or having your bike confiscated by police. At the time of my fieldwork, the kind of full-throttle e-bikes generally used by delivery workers were still ruled illegal under New York City government, and its revanchist campaign to crack down on their presence had a devastating impact the many migrants who depend on this work for a living (Anzilotti 2018). Kayode himself paid many $500 fines and had his bike stolen or confiscated four times over the past three years, each time buying a new one. When I remarked how costly that must have been, he looked at me and answered, with a sense of resignation: 'What are you gonna do?' This was a mantra of sorts during our conversation, used whenever he wanted to express not just his lack of options but also his resolve and can-do attitude. If you are determined to start moving to a new country, what you are going to do is make money, come hell or high water?

A means to other ends

For Kayode and many of his fellow West African migrants, food delivery apps are integrated into the tenuous path to where they aspire to be. As part of their local 'arrival infrastructure' (Meeus et al. 2019), these apps form plug-and-play devices whose instant payout option[7] and high earnings potential – however volatile – make gig work a much more appealing income opportunity than other available jobs. Overall, I met very few cleaners or delivery workers that saw app-based work as a viable permanent occupation. Gig platforms are instead treated as stopgaps or stepping stones to something better, even when this something is still only a shimmer on the horizon. Kayode, for one, had a very concrete idea of his future: what he was moving towards, by working hard and saving up as much as he could, was becoming a truck driver. I found this a surprising aim and told him as much, but he was convinced this was the right career move for him given that he wanted to work independently, already had secured a proper license, and believed interstate trucking could earn you as much as $300,000 a year:

> Some people told me that you can make like – I mean, it depends, I don't know. I want to work with the big truck then save, like in six months, I could save at least $100,000. Then I use it to open any business, buying a house, do whatever you want – it's common sense.

Instead of focusing on the curiously inflated figures Kayode has in mind or questioning what he considers to be common sense, what I find more interesting here is how becoming a truck driver serves as an aspiration that embodies the potential for personal transformation and upward social mobility (cf. Carling and Collins 2018). While his financial investment in the required license has helped him approach his goal, his affective investment in the good life image that accompanies it sustains his ongoing app-based hustle, giving him the drive to keep working in spite of the setbacks and disappointments that he considers to be part of the arrangement. He was determined to stick with food delivery for one more year, after which the points on his driver's license would be removed.[8] As soon as he regained a clean license, he was going to make his next big move.

Like Kayode, Elisa had a plan. She appreciated Helpling for the purpose it served to realise this plan: it had helped her forge a 'fresh start', by allowing her to quickly earn money in a new country – the Netherlands – and schedule her work around the care for her two children. Back in Brazil, she had been working as a financial analyst, while her husband earned an income as a professional musician. Both drove for Uber on the side in order to save some money and deal with the rising costs of living. Fortunately, her mom was happy to babysit. Besides growing expenses, however, Elisa also increasingly feared for the safety of her children, which eventually pushed her to try and move her family to Amsterdam – a city imbued with warm, hopeful feelings ever since she spent her honeymoon there. After arranging her Portuguese passport in Lisbon, she and her husband drew heavily on their savings to get settled in Amsterdam, but soon enough Elisa had to find a job. Despite speaking English and having a BA degree in economics, she ended up cleaning rooms in the city's Soho House, which, at 38, she found physically taxing. She also could not deal with the treatment, which she found degrading, so she searched for other kinds of cleaning work online and found Helpling.

In Elisa's experience, working via Helpling was much more personable and flexible compared to Soho House, and because the platform sent her a lot of cleaning offers right away, it also brought in much more money. She would have continued to be active on Helpling if it weren't for the fact that she needed an employment contract with set hours in order to prove that she was financially capable of sponsoring her husband's residence permit. After Zara, the clothing retailer, hired her for 30 hours per week and regularly forced her to put in (unpaid) overtime, she could no longer retain her Helpling clients and decided to quit the app indefinitely. When Elisa left Zara seven months later due to her frustration with being structurally underpaid and mistreated by management, she did not return to Helpling. Instead, her husband, who had already taken over some of her clients, increased his hours on the platform while she stayed with the kids and intensified her search for a better job, something in the financial sector: 'Because we just arrived, so that's what we have now, but things is coming better, I think, and so if I find a nice job, I don't need to clean anymore, so I'm going to do what I know to do'. Helpling formed a means to this end, rendering her image of the future good life a little more palpable. As she elaborated,

> I'm here for my kids, you know, like I came here to give them education, everything, so I'm able to do everything to stay here and continue our life here. So it [cleaning via Helpling] is not what I *want* but . . . it is what everybody can do when you arrive in a place and you don't know anybody and you don't know the job place. You just get money.

Kayode, Elisa, and many other gig workers I spoke with concur that these apps are attractive because they furnish a quick and relatively easy income stream, which forms a prerequisite for the realisation of their personal or professional aspirations. In other words, gig work *buys you time* by allowing you to get by for as long as you need to figure out or complete your next move, and in this way, digital platforms can afford social, professional, and spatial mobility in circumstances otherwise marked by constraints and being stuck (cf. Bélanger and Silvey 2020). However, as we will see, these platforms may also generate new obstacles to migrants' mobility and thriving.

A lifeline and a modicum of security

While Elisa did not intend to return to Helpling, she admitted that she had not deleted her app, just in case her job hunt was not successful. She was giving herself a few months, after which she would consider taking on new clients via the platform. This kind of anticipatory reasoning

was prevalent among migrant gig workers in all three cities. As they recompose their lives and try to find their bearings, these newcomers use gig platforms to ameliorate their economic insecurity while at the same time absorbing the risk of falling ill or getting injured on the job. Numerous interviewees described feeling a sense of reassurance knowing that they had one or more financial lifelines in their back pocket. Elisa even likened Helpling to a safety net, which I initially found curious insofar as the company, like most other platform companies, does not offer its workers the kind of insurances and protections usually associated with an employment contract. When I pointed this out to her, she countered that she did not receive sick pay or overtime at Zara either, and moreover, she and her husband were 'not thinking about this now', having only arrived in the Netherlands a year ago. Because gig work is usually seen as a temporary stopgap or stepping stone to a better occupation, migrants are willing to accept its lack of labour protections for the time being – even when this time stretches out indefinitely, as was the case for Andrei and many others like him. In these cases, migrants' frequently restricted access to their host country's social security system, combined with their previously mentioned distance from national labour markets, makes their position particularly precarious (Lafleur and Mescoli 2018). Only by working as many hours as possible and saving up every penny can they achieve an improvised, do-it-yourself version of social security.

Beyond labour protections and insurances, migrant workers do find other forms of safety and security in the gig economy, however nominal these may (be judged to) be. Elisa preferred cleaning homes for Helpling over informal cleaning gigs because its surveillance features gave her a sense of physical safety: 'When we have the platform we have some security. Because they know where you are, if something happens. Imagine I can go to the house and I go there and there is three men there'. This feeling of surveillance-based security is not only highly gendered but is also informed by Elisa's position as a migrant in a new city where gauging risk factors is more difficult than it would be in one's home town. Besides knowing the cleaner's geographical location, Helpling also has its clients' financial information, which, she argued, helps to deter incidents such as harassment, abuse, or wage theft. Elisa clearly had faith in Helpling's capacity and willingness to support its cleaners. While other interviewees were much less convinced that the company had their back, many nevertheless appreciated the peace of mind that comes with having a formal source of income.

For example, since joining Helpling three years earlier, Rita (39) had grown increasingly dissatisfied with how little the company did for her while continuing to take a commission on each cleaning. Nevertheless, she had no plans of leaving the platform. Rita moved to Amsterdam from her native Portugal about four years ago to accompany her boyfriend, who had found a job there in software development. As a college dropout with a history of meandering from one menial job to the next, she wasn't optimistic about her chances on the Dutch labour market and hoped that a language course – together with her formal *inburgering* (integration) trajectory – would help increase her employability. This was also her motivation to enrol in Zij aan Zij (Side by Side), an initiative of the Salvation Army that provides shelter and labour market support for precarious women. Although her situation was much less precarious compared to the other women in this program, who are mostly refugees and homeless, Rita figured that the volunteer work arranged by the program might perhaps lead to an entry-level job opportunity. It didn't, but a program manager did suggest she try out Helpling and helped her with the onboarding process. While sceptical at first, since she hadn't cleaned homes before, she nevertheless tried it out because she felt 'desperate' to start generating her own income, and after finding regular clients, she enjoyed the autonomy and solitude of her cleaning routine. This routine gave her a sense of stability, relieving some of the stress of being chronically insecure about her life perspectives. Even after she soured on Helpling, Rita felt reluctant to leave the platform because it

would mean losing the security of doing what was familiar to her and no longer having work that is on the books. Although she knew she could make more money doing informal cleanings, 'the legal thing' scared her, as did the bureaucracy that she'd have to navigate if she would set up her own cleaning business and become a truly independent contractor: 'I would need to pay someone to help, it seems a very tricky thing to sort out. Like, I can't even make my own taxes'.

As a newcomer with hardly any knowledge of local norms, laws, or procedures, Rita thus chose to play it safe with Helpling and, in her words, 'stay out of trouble' with the Dutch government, whose special regulation for home-based service provision 'essentially tolerate[s] informal employment by relieving household employers from any obligation to pay taxes or social security contributions' (Van Hooren, 2018: 13). Helpling simultaneously exploits this 'regulated deregulation' (Ferreri and Sanyal 2018) and Rita's reticence and desire to be secure, by promising formal intermediary services that, however, stop short of the kinds of assistance that would actually be of use to workers who are neither true employees nor officially self-employed (e.g. tax support). Moreover, it threatens its workforce with hefty fines if they try to accumulate an external client portfolio that the platform cannot extract rent from. The threat of a €500 fine for taking clients off the platform was indeed another factor that kept Rita tied to Helpling, as she was not just intimidated by the huge sum of money but also believed that the prohibited activity may actually be illegal under Dutch law. Ultimately, gig work is thus a scene of ambivalence for vulnerable migrants: while it can serve as a vital financial lifeline and an affective space of reprieve where they can cope and, in Lauren Berlant's terms (2007), 'coast' in a challenging new environment, it also limits their labour market mobility by tying them to the platform with a combination of carrots and sticks.

The short end of the stick

To be sure, the previously mentioned predicament pertains not just to the documented migrants who have so far been represented here – that is, those for whom institutional visibility is a necessary and relatively unproblematic aspect of getting settled in one's host country. The undocumented migrants who participated in the study expressed a similar ambivalence toward gig work yet for this group the stakes were even higher. Having a much more complicated relation to institutional visibility, especially vis-à-vis the nation-state, they saw some gig platforms as viable lifelines precisely due to their *informal* character, appreciating how these platforms' loose approach to documentation requirements allowed them to work while staying off the (national) government's radar. Echoing Mohammed's experience with Helpling in Berlin, Miguel managed to sign up with Relay in New York using only his individual Tax Identification Number (ITIN), rather than the Social Security Number (SSN), which is usually required for employment contracts in the United States. This was possible because Relay, like many other low-wage employers, did not actually hire him as an employee but misclassified him as an independent contractor whom the platform 'partnered' with. This arrangement forms a prevalent workaround, not just for Relay and its ilk but also for undocumented migrants like Miguel, for whom '[i]ndependent contract work and self-employment have . . . become default strategies for avoiding unauthorized employment, which runs afoul of immigration law' (Saucedo 2018: 122). Like so many of his Mexican peers who struggle as 'survival entrepreneurs' in informal economies (Valdez et al. 2019), however, he regularly experienced how his ability to strategise was compromised by the fact that 'self-employment is frequently less a positively chosen employment relation than one of the only realistic ways to generate an income' (Cohen et al. 2019: 5). Gig platforms are keenly aware of this fact, offering not just 'a stopgap to overcome exclusion' but an application facilitating the 'predatory inclusion' of marginalised, usually non-white communities (McMillan Cottom 2020).

Miguel (30), who arrived in New York about one year after he had crossed the border, in 2013, had gone through the good, the bad, and the ugly with Relay. He worked between 40 and 50 hours per week, using two accounts (his own and his friend's) in order to bypass the 35-hour weekly cap that Relay instated after getting into legal trouble for overtime violations (Shaak 2017). After his restaurant work fell away, Miguel needed to maximise his hours on the road to provide for his young family, which was also why he did not complain about Relay's opaque and volatile scheduling priority system. Although this system prioritises couriers like himself, who maximise their hours, it also factors in their rating by restaurants and their order acceptance and hourly completion rates. How, exactly, these variables are related and weighted in the determination of couriers' tiered access to the work schedule isn't clearly communicated, but over time, Miguel and his peers have learned to keep their rating as close to 100 as possible and not to reject too many orders – the 'too many' being contingent on their ratings and weekly worked hours. This has been a precarious, trial-and-error process. When, during any given week, Miguel experienced a drop in his worked hours, his ratings, or his order acceptance and hourly completion rates, this could – depending on the performance of other couriers – negatively impact the number of hours he was able to reserve for the following week. Moreover, when his rating dropped below an unspecified threshold, Relay could – and sometimes did – temporarily block him from the app without providing any opportunity to appeal or ask for more information. He summarised this insecure work situation (via an interpreter): 'Maybe today is good. Tomorrow, you don't know'.

Miguel also explained that during periods of low demand he could suddenly be kicked off the platform, with Relay paying for his reserved hours but obstructing his ability to stay logged in and earn more. This is because, unlike most on-demand food delivery platforms, Relay pays its couriers per hour rather than per order, which makes idle delivery capacity very costly at scale. While an hourly wage by itself provides a measure of income security, the previously mentioned lack of a reliable work schedule nevertheless offsets this advantage. Additionally, Relay's hourly wage is so low that many couriers are dependent on tips and extra hours to make ends meet. Previously, when the company paid $7.50 an hour – well below New York's tipped minimum wage of $8.30 – they had little difficulty obtaining these extra hours, but since the lawsuit-induced introduction of the hours cap and an associated hourly wage increase, to $9.80, available shifts seemed to have dried up. Miguel wanted me to know that, when demand is high, Relay still made him good money. Yet when demand is down, he risks getting caught in a vicious circle: besides the threat of getting booted from the app, fewer orders also drag down his hourly order completion rate, which may hurt his scheduling priority level, which can then lead to fewer hours and thus fewer orders (not to mention tips). The quickest way of countering this dynamic is picking up less-desirable shifts that others have dropped – for instance, due to inclement weather – and then accepting every incoming order with the aim of improving one's performance rates and maximising tips. This strategy leads to more risk-taking on the road, however, increasing the chances of accidents and injuries. Miguel got into an accident about a year before our interview, losing four teeth and injuring his arms after having hit a pothole while biking through a rainstorm. Having no accident insurance, he would have been in deep trouble if it wasn't for a bystander who found him, got him to a hospital, and ended up covering a large part of his medical bills – which were massive. With Relay taking no responsibility for what happened on the job, Miguel considered himself blessed to have this support of what he was convinced was his 'guardian angel'.

The accident took him out for a few months and really gave him a scare. As an aspiring professional musician, he particularly feared no longer being able to play the saxophone. Still, he was back on Relay as soon as he could manage, even increasing his hours to make up for lost

time and regain his priority status. Despite systematically getting the short end of the stick in this so-called partnership, the chance to make comparatively more money than elsewhere while having relatively more scheduling autonomy kept him tethered to the platform until something better comes up or his account gets deactivated. Miguel's approach to gig work closely resembles that of Andrei, whose Deliveroo account was indeed suddenly terminated. Both men aim to maximise their earnings because they face steep living costs in their respective cities and have (remote) family members to support, which makes such a severe penalty even more calamitous.

What particularly irked Andrei is that Deliveroo never bothered to hear his side of the story regarding the altercation at the restaurant. After the year of loyal service he had given the platform, after all those deliveries and the recurring talk of equal partnership, he did not expect that a single complaint would end it all in a few keystrokes. As he learned the hard way, these companies do not owe their workers anything, even those that have consistently proven their value. At Uber Eats, Andrei finds it hard to swallow that he is treated on par with students and other part-time workers who often quit after the summer, even though he completes two to three times as many orders per day as they do. By making reputation and performance metrics crucial for gig workers' income opportunities, platforms encourage their full mental and physical dedication at the expense of alternative pursuits and interests. At the same time, however, these companies do not reward dedicated workers who stay on the platform for a longer period of time. Instead, gig platforms are more focused on churning through a steady supply of replaceable migrant labour. As long as they haven't been disposed of and no real alternatives appear, these migrants will have to repeat their Sisyphean tasks.

According to Mohammed, what gig platforms lack is a long-term business plan, including a system that retains workers by properly valuing their seniority. This is why he sees no reason to remain with Helpling for much longer; there are just not enough carrots and too many sticks for him to stay on, given that he has no family to provide for and his wife's earnings will be able to absorb their drop in income. It also helps that Berlin is still a relatively affordable place to live compared to New York and Amsterdam. As someone who considers himself quite business-savvy, Mohammed finds it bad practice that, instead of rolling out seniority-based incentives or rewards (e.g. a progressive pay scale, a seniority-based benefits scheme, or a gradual reduction in the platform's commission), Helpling chooses to alienate its cleaners by temporarily deactivating them if they frequently cancel jobs or fail to respond to new cleaning offers. Once the company implemented its new 'Countdown Offers' feature, he found himself having to cancel appointments more often and thus risk a lock-out. This feature asks cleaners to respond to job offers and – instead of being matched with a client right away, as is the case for regular cleaning offers – wait 12 hours to find out if they have been selected from a pool of competing cleaners. This creates a situation where cleaners feel the need to respond to multiple Countdown Offers in order to maximise their chance of being selected, which can subsequently result in scheduling clashes and last-minute cancellations – especially when a cleaner only learns about being accepted right before the cleaning appointment. Whereas a cancellation used to mean one's performance score took a hit on the 'Reliability' metric, the platform subsequently discontinued this score and introduced a new system that gives cleaners a €15 fine if they cancel a cleaning fewer than 24 hours in advance. If they fail to show up without notice, they are charged €50.[9]

While Helpling did not implement such penalties in the Netherlands, its threats against cleaners who try to take clients off the platform and its rentier behaviour had made Rita resent the company. She saw it as a case of taxation without representation: although the company took about 25% of all her earnings, it did not provide her with the support she expected and actually fostered a work environment she experienced as antagonistic and disciplinary. Furthermore, a downside of Helpling's hefty 'take rate' was that it depressed the wage she was able to

take home herself, as she felt uneasy about raising her hourly wage knowing that her clients already paid a premium for her/Helpling's services. When Helpling asked for her feedback in a survey, she came up with a potential solution to this issue – one that resonates with Mohammed's suggestions:

> I actually suggested them to, easier than just, um, hire us would be to create a place from after a certain point, they wouldn't charge any fees. I don't know if this makes any sense, but they could eventually point us to a place where we could legalise our work with the clients but without their interference. They would charge like for a period of time but . . . because it's really unfair, I think they're entitled to a fee for a certain period of time, but not like two years.

Instead of indefinitely extracting fees from each transaction and threatening cleaners who seek to build their own client portfolio, Helpling could in this vision actually assist its senior cleaners with the disintermediation process and thereby help them on their way to becoming real independent contractors. But since facilitating a livelihood beyond the platform would herald the end of the platform economy, Helpling and other gig purveyors hold on to a business model that hinges on predatory inclusion and rent seeking. As the gig economy matures, migrant populations are increasingly bearing the brunt of this arrangement since they usually have the weakest bargaining position. 'Basically, they use our financial situations against ourselves, that's the feeling I have', Rita reflected near the end of our interview, 'because it's either this or nothing and we know that, we know that we have not, we don't have much choice'.

5. Discussion and concluding remarks

Although I ended my ethnographic account by focusing on how gig platforms both prey on and exacerbate the precarious conditions that migrant gig workers have to navigate, I have also shown how these conditions are co-determined by forces extending well beyond the labour process or labour market, into spheres where labour is (haltingly) reproduced (cf. Qi and Li 2020). As these narratives have illustrated, migrants' experience of precarity is at once multiform, multicausal, and multiscalar (cf. Chacko and Price 2020), contingent on factors ranging from household situation, care responsibilities, and a city's affordability to local vehicle regulations, national labour laws, visa restrictions or requirement, and the threat of deportability. Yet my account has also demonstrated how, in the face of such overlapping vulnerabilities and constraints, these migrants exert various forms of compromised agency that enable them to make the best out of their situation but that may be overlooked if one is searching solely for expressions of resistance and collective solidarity. To be sure, during my fieldwork I also engaged with migrant-led gig worker collectives that were organising against poor working conditions (Van Doorn 2020b), yet the vast majority of those I interviewed were not involved in such activities. This does not mean they did not care or had no complaints, as evidenced previously, but rather it points to how many gig workers – migrants in particular – are just too pressed for time and caught up in their daily hustle to free up space in their heads and agendas for collective organising. Whereas some rather vent or boast among peers on Facebook or Reddit, others just decide to suck it up and make the most of it, at least for the time being, while keeping their eye on some prize hoovering on the horizon of the hopefully not-too-distant future.

Indeed, professional aspirations and the desire for a future in which the good life (however defined, as addressed later) can finally be enjoyed are prominent themes in the ethnographic vignettes. While not frequently conceptualised in terms of agency, such affective attachments drive

people to *do* things and to keep things (more or less) together despite having the odds stacked against them. I have shown how aspirations, desires, fears, vaguely elaborated plans, or affective estimations regarding certain places and types of work do not only drive migration trajectories (Carling and Collins 2018) but also lead migrants to try out and, for varying periods of time, stick with gig work. What the migrants profiled here share is the ambivalence of their affective and material attachments to gig platforms, which serve as a stopgap but also act like a trap, throwing out a lifeline that is not actually attached to anything. In their narratives we can see how platform labour both alleviates and exacerbates migrant precarity, often simultaneously, which makes it difficult to determine if and when to quit. Even quitting may not be that straightforward or permanent, as we learned from Elisa who – like numerous other migrants I spoke with – kept her cleaning app on her phone even though she hadn't logged on in months.

I believe that from these instances of ambivalence, indecision, and indeterminacy, it is possible to derive what Raval (2020) calls a 'non-fatalistic analytic' of precarity vis-à-vis platform mediated gig work. Another thing that the profiled migrants share, along with many other interviewees, is the idea that I caught them *in medias res*, as they were navigating a transitional period of heightened precarity during which they were attempting to find their bearings and compose a new life/livelihood. Gig platforms were, in this sense, seen as transitional media that supported this process, forming one element of a provisional arrival infrastructure (Meeus et al. 2019). The fact that these platforms also introduced new forms of precarity into their lives, by jeopardising their job and income security, was considered acceptable only *for the time being*, as long as it took to get to where they wanted and/or needed to be. As they were biding their time, the apps bought them more of it.

I suggest the term 'liminal precarity' to conceptualise this way of relating to one's precarious situation as a migrant gig worker. Liminal precarity denotes a subjective, affective state of mind rather than an objective state of affairs, although it does not preclude the latter. It is primarily an act of wishful thinking – a promise to oneself that the precarity experienced is transitory, part of the rite of passage that is the migration trajectory – which does not end upon arrival. Liminal precarity is also a bargain with oneself, in which the pros and cons of app-based work are thrown on the scale and deliberations about (un)acceptable working conditions and the proper time to move on are hashed out. It is an in-between space of intensified risk-taking and absorption under the understanding, or pretence, that the stuff one puts up with will be temporary. In the meantime, however, this space expands and goalposts are moved.

I thus see the notion of liminal precarity as a way to advance a non-fatalistic analytic insofar as it thinks *with* migrant's precarity, understanding it as a subjectively generative condition in spite of its objective modes of attrition. It gives access to scenes of compromised agency in which migrant gig workers endure and try to make the best of their precarious conditions rather than being overwhelmed by them, precisely because they hold on to the idea that these conditions will not last beyond a certain point that they have some control over. This is the point at which their app-supported investments are expected to yield returns. Even Andrei, whose stoic attitude kept him from fantasising about a future beyond platform labour, turned out to have a tentative exit plan, as I found out when he confided that he would like to open a restaurant with the money he was saving. Meanwhile, only Rita appeared to have no concrete plans for the future and reluctantly stuck to her Helpling routine, which she was driven to by the same anxieties and self-doubts that now kept her in her place. She had seemingly abandoned the idea that there was anywhere for her to transition toward and, like Andrei, settled for gig work indefinitely.

Beyond studying precarious gig work, finally, what is to be done? Returning to Raval's question regarding what counts as the 'good life' in academic and policy circles concerned with

the 'future of work', the answer will usually be either one of the following: that it is rooted in flexibility and can be achieved by technological means (Silicon Valley's solution) or that it is predicated on security and should be guaranteed through the standard employment contract (Labor's solution). What both answers share is the belief that precarity is primarily a workplace issue that can be eradicated straightforwardly and that gig workers need to be saved. Adopting an ethnographically informed 'non-fatalistic analytic' to study migrant gig workers belies both assumptions, however, urging institutional actors to pay closer attention to what migrants have to say about the opportunities and challenges of app-based work in relation to their broader experiences of precarity. This also means taking seriously their concerns regarding the potential repercussions of forcing platform companies to hire their workforce as employees. As my colleagues and I argued elsewhere (Van Doorn et al. 2020: 8), reclassification efforts 'should be preceded by a careful consideration of ways to minimise the harm to those who have so far been excluded from employment's protective scope', migrants in particular. Concretely, the migrants participating in this study worried about being limited in the number of hours they can work, not being able to make more per hour than minimum wage, not being able to reject orders/offers or log on and off whenever they want, and most prominently about being thrown off the platform in the workforce purge that can be expected to follow public enforcement of reclassification legislation. It should come as no surprise that this latter concern was especially pronounced among undocumented migrants, who would certainly lose access to a valued income source.

We should therefore ask who is saved and who is sacrificed when visions of the good life modelled on the Fordist citizen worker are enacted in the form of legislation intended to reform platform-governed industries whose workforce increasingly falls beyond this model's parameters. Asking this question does not mean ceding ground to Silicon Valley–inspired techno-fixes or platform lobbyists' third way solutions but should on the contrary push scholars and policymakers alike to join migrant gig workers in thinking *with* precarity's intersecting forms, which remain largely invisible when thinking solely in terms of platform-focused solutions. This should then result in a set of more radical and expansive policies that simultaneously combat exploitation by low-wage employers, exclusion and predatory inclusion by immigration laws, and other instances of institutionalised vulnerability that form structural obstacles to migrant workers' flourishing.

Notes

1 See www.crunchbase.com/organization/relay-delivery/company_financials (last accessed: 30 November 2021).
2 See www.crunchbase.com/organization/helpling/company_financials (last accessed 30 November 2021).
3 See https://uk.deliveroo.news/about/ (last accessed 30 November 2021).
4 See https://en.wikipedia.org/wiki/Deliveroo#Funding (last accessed 30 November 2021).
5 See https://help.uber.com/ubereats/article/when-and-where-is-uber-eats-available-?nodeId=3f8de61e-09dd-4844-afb2-749c9ffc65a8 (last accessed 30 November 2021).
6 I have used pseudonyms to substitute for these workers' real names.
7 Most food delivery and ride-hailing apps have an instant payout feature, which allows couriers to cash out whenever they want, up to a certain number of times per day. For instance, Uber allows its 'delivery partners' to cash out through its Instant Pay feature up to five times per day, as long as they have at least a $1 balance. Note, however, that the company charges a $0.50 fee on each instant payment if the courier does not have an Uber Visa Debit Card by GoBank. See www.uber.com/us/en/deliver/basics/earnings/how-payments-work/ (last accessed 30 November 2021).
8 As the website of New York State's Department of Motor Vehicles (DMV) explains, 'The Driver Violation Point System gives the New York State DMV a way to identify and take action against high

risk drivers. The DMV assigns points for certain traffic violations. If you get 11 points in an 18-month period, your driver license may be suspended. . . . Once 18 months have passed from the violation date, the points for that violation no longer count toward your total'. However, these points remain on one's driving record and may cause insurers to raise their premiums. See https://dmv.ny.gov/tickets/about-nys-driver-point-system (last accessed 30 November 2021).

9 See the Terms and Conditions for Helpling Cleaners in Germany, specifically §7.3: www.helpling.de/agb-reinigungskraft (document availably in German only. Last accessed 30 November 2021). See Van Doorn (2018) for a critical account of similar penalty systems on the North American cleaning platform Handy, particularly their impact on cleaners well-being.

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12

PLATFORMS, LABOUR, AND MOBILITY

Migration and the gig economy

Moritz Altenried

1. Introduction

There would be no gig economy as we know it without migrant labour. While the organisation, composition and logic of gig work vary across different locations, a tendency can be observed across the globe: a large contingent, often even the majority of platform workers are migrants. Migrant and racialised workers constitute important parts of the workforces of different platforms, such as Uber, Deliveroo, Helpling, and many more in different cities, countries, and continents. While the gig economy has gained increasing academic, public and political prominence (a fact that is to a large extent due to the intensive and persistent labour struggles across platforms and continents), the composition of the workforces and the importance of migrant labour have only recently seen more attention (see, for example, Altenried, 2021; Altenried et al., 2020a; Heiland and Schaupp, 2020; Barratt et al., 2020; Van Doorn et al., 2020). Today, mobile workers have become crucial to the functioning of many digital platforms, and these workers often constitute the majority of urban gig workers driving passengers, delivering food, or cleaning flats.

This chapter analyses the relation between migration, stratified labour markets, and the gig economy. It is based on extensive research in several projects on gig economy platforms, migration and urban space in Berlin, Germany, and other European cities.[1] Starting from Berlin, it explores the dynamics and tendencies of migration and mobile platform labour and extends its scope to the global dimension. It investigates the specific reasons why digital platforms are attractive to migrants (including little entry barriers, language, and visa requirements) and their experience with platform work. Digital platforms, it turns out, often play an important role for these migrant workers and their mobility projects (some have worked for digital platforms on several continents). From the perspective of the platforms, on the other hand, it is especially the combination of algorithmic management and flexible contracts that allows them to tap into the latent reserve army of migrant workers and manage them effectively. I will argue that the very characteristics of gig economy platforms – conceptualised as a combination of algorithmic management and flexible employment relations – make them perfectly suited to exploit migrant labour. I will further argue that this is a common trend, even beyond the world of digital platforms: the specific combination of algorithmic management and hyper-flexible contracts allows the inclusion of very heterogenous, often migrant workforces into production processes in numerous industries. The intersected transformations of digital technology, flexible labour, and

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new cartographies of mobility and globalisation are theorised in the context of a dynamic of the multiplication of labour (Mezzadra and Neilson, 2013).

Looking at the gig economy from the perspective of migrant labour finally also entails shifting the focus of analysis: From this perspective, low pay, precarity, and contingency are nothing new or exclusive to digital platforms but have been the characterising conditions for migrant labour for centuries and the history of flexible and contingent labour is closely entwined with the history and present of migrant labour. Instead of addressing platforms only as innovative disruptors of standard employment, it becomes also necessary to discuss how digital platforms are able to renew forms of contingent labour and how their specific digital qualities – concerning, for example, algorithmic management and new forms of control – allow for the reconfiguration of old forms and techniques of contingent labour. Such a perspective allows a broader analysis of gig economy platforms in labour markets stratified by differential migration regimes, including multiple vectors such as citizenship, language, racialisation, visas, and work permits.

2. Platforms as migration infrastructure

Berlin, Germany, has become a major destination for heterogenous new movements of migration in recent years, including refugees crossing the Mediterranean to escape the war in Syria and many migrants from crisis and austerity-ridden countries in Southern Europe or Latin America, among many other groups. In recent years, a growing number of these newcomers find jobs with digital platforms like Uber, Helpling, and Deliveroo. One of them, Bastián,[2] a young food delivery worker, who came from Chile to Berlin in 2018 is a vocal critic of the precarity of gig economy platforms but underlines at the same time the importance of these platforms form him and other migrants to the city:

> This is the only option that the immigrants or people from Chile or people from India have. Like they cannot work anywhere else. So even though the work conditions are shit, they . . . it's the only thing people have, yeah, the only opportunity. And I was earning even more money than in any other job. So for me, I was really happy with it. And as long as I didn't get hit by a car, everything was going to be okay.[3]

This quote provides a glimpse into the reasons why urban gig economy platforms are strongholds of migrant labour while pointing at the same time at the very precarity and instability of gig work, especially for migrant workers.

For Bastián and many other young people planning to come to Berlin, working for gig economy platforms was a known option, even before they arrived in Berlin. Among the migrants from Chile and Argentina, most of whom come to Berlin on a one-year visa like Bastián, 'it's quite known that both Helpling and Deliveroo are the easy jobs to apply to when you come with a visa because you only have one year, and this is very immediately. They . . . you don't need that many papers, and you don't need to speak German' as he explains.[4]

The points he mentions already explain many of the reasons why gig economy platforms are a stronghold of migrant labour not just in Berlin but in many locations across the globe. Most platforms have a quick and unbureaucratic application process with very few formal requirements concerning qualifications, documents, or skills. Many platforms even dispense with application interviews and only ask for a minimum of registration papers, work permits, and similar documents or have few mechanisms to control the existence of these papers. For many (especially recent) migrants whose documentation, visa, and permits would not suffice at other jobs, digital platforms are thus a quick way to start earning money.

Another major problem in the labour market for many migrants is often language. This was the case for Manuel, a dedicated courier and bicycle enthusiast who applied to a traditional bicycle courier company after he arrived in Berlin, only to find out that this company's radio dispatching system was in German. He had no chance following the radio conversation with his limited language skills while cycling through the city. On the contrary, the app of Deliveroo, the next place he applied to, functions in different languages and hence poses no problems to him. As the gig economy apps often work in several languages and are quite simple to operate, this offers possibilities even to those who speak no local languages. Like many workers, Manuel feels that his work is tightly controlled by the app but also offers a degree of autonomy as compared to working under the direct command and in sight of human managers. This is a feeling shared by many platform workers, especially those who had experience with racist managers and bosses in previous jobs (see also Gebrial, 2020).

The easy and quick accessibility of platforms like Deliveroo or Helpling (a gig economy platform for cleaning) and the ability to earn money without the knowledge of the language makes those platforms important to many migrants especially in the time immediately after their arrival. As Bastián explained previously, the option to work for such platforms is common knowledge among young people from Chile or Argentina wanting to come to Germany. Some did similar work (sometimes for the same platforms) in other countries before, like Francisco, another food delivery rider and part-time industrial climber, who worked as a food delivery courier for Deliveroo and Uber Eats on three different continents. In these cases, digital platforms become a new part of 'migration infrastructures', as Biao Xiang and Johan Lindquist describe the 'systematically interlinked technologies, institutions, and actors that facilitate and condition mobility' (Xiang and Lindquist, 2014: 124; see also Altenried et al., 2018).

Many migrant platform workers have a limited number of alternatives in stratified urban labour markets, something that is also expressed in the quote of Bastián earlier. Asked about alternatives to digital platforms, many of Berlin's platform workers mention jobs in cafes and bars or logistics and parcel delivery. In many cases, these jobs are part-time, fixed-term and at least partially undocumented and provide as little stability and security as platform labour. The appeal of platforms for migrant and racialised workers has thus to be understood in the context of their limited options and labour markets in which instability and precarity are the norms for large groups of workers. With a view to platform labour in London, UK, Dalia Gebrial argues along similar lines: 'The material and social precarity of low-income migrant workers in London have helped construct the mould that shapes the platform workforce' (Gebrial, 2020: 41).

3. Mobile workers, contingent labour

For platforms like Deliveroo, Helpling, Uber, and many others, migrant workers constitute a crucial pool of workers willing to accept unstable and precarious conditions of work. While the importance of migrant labour especially to the service, gastronomy or taxi sectors of Berlin and many other cities is nothing new (Wills et al., 2010; Sassen, 2001), digital platforms express a new special quality here. In fact, the labour model of the digital gig economy is geared perfectly towards the exploitation of migrant labour. The systems of algorithmic management (Lee et al., 2015; Beverungen, 2017) employed by the platforms via their apps allow for the (semi) automated organisation and control of labour. This drives down the cost for (human) management needed to command and survey workers, which in turn allows accepting almost all who apply to the platform, including migrant workers with little experience or language skills. Through the algorithmic architecture of the apps, there is very little training necessary and a high level of control of the labour process is easily achievable. Digital technology here allows

for rationalisation, standardisation, and (to a certain extent) deskilling, as well as the precise surveillance and measurement of labour. Algorithmic management hence produces a first precondition for the inclusion of a heterogeneous group of workers, high interchangeability, and constant fluctuation of the workforce.

In the case of digital platforms, these mechanisms of algorithmic management only really develop their effect and efficiency in combination with contingent labour arrangements – i.e. the forms of self-employment and the outsourcing of entrepreneurial and social risk onto the worker typical for the gig economy. As most workers are self-employed 'independent contractors', there are almost no fixed costs for the platforms. In most cases, workers pay for the means of production, such as bikes themselves. With the contractual form of self-employment, the gig economy is also part of a curious digital renaissance of a seemingly outdated wage relation: the piece wage, once described by Karl Marx as 'the form of wage most appropriate to the capitalist mode of production' (Marx, 2004: 698; see also Altenried and Wallis, 2018). This form of self-employment and piece wages is not only functional in the sense of providing flexibility and a scalable workforce for the platforms, but it also pushes costs for downtime and equipment but also insurance and other forms of social protection onto the workers.

The very combination of systems of algorithmic management and their possibility of the (semi) automated management, control and measurement of workers on the one hand, and the contingent employment relations of independent contractors paid by piece wages, on the other hand, is the core of the gig economy (Altenried, 2017; Altenried et al., 2020b). It is also this very combination that allows platforms to accept a high number of workers as there are very few fixed costs and almost all the risks are outsourced to the workers. The platform workers need only minimal training, language skills, or supervision as they are navigated by the app through urban space. Under these conditions, a high fluctuation in the workforce is no problem but rather part of the calculation of the platforms that can count on a latent reserve army of (migrant) workers who can be allowed into and expelled from the platforms with minimal costs and problems.

These conditions contribute to the enormous precarity of platform labour. For a platform like Deliveroo or Uber, having a lot of couriers and drivers online at the same time is desirable as a high number of available delivery or taxi drivers guarantees a speedy service for customers and produces no costs in case of low demand as they are only paid when they work. In fact, the oversupply of workers compared to the demand for work is a global problem for the majority of all gig economy workers. Especially if the platforms don't regulate the number of (active) workers, there is often a high number of workers competing for a limited number of jobs, thereby decreasing the amount and stability of income and creating the need for long working days to make ends meet. In many cities, this problem has dramatically increased since the spread of the coronavirus. Oversupply of labour and the fluctuating job possibilities makes platform labour often a precarious endeavour without even talking about the lack of sick pay, insurance, and other forms of social protection. This situation is the reality for a high number, maybe even the majority, of gig workers around the globe, from Uber in London, Helpling in Berlin, or Deliveroo in Paris up to the world of the online gig economy platforms like Amazon Mechanical Turk or Freelancer (Graham et al., 2017; Altenried, 2020).

4. Digital platforms and the multiplication of labour

As we have seen up to this point, the very combination of (semi)automated algorithmic management and organisation of labour and hyper-flexible employment relations that is characteristic of gig economy platforms is also the reason why these platforms are ideally geared towards the exploitation of migrant labour. Gig economy platforms provide an entry point for migrants struggling with

stratified labour markets requesting language skills, documents, formal qualifications, and more. The ability of platforms to digitally organise, control, and measure labour, on the other hand, allows the (semi)automated management of heterogenous workforces that are easily scalable according to fluctuating demand at almost no cost (as workers are only paid when they work) which allows them to easily and efficiently tap into the migrant workforces in many cities across the globe.

Hereby, gig economy platforms are at the forefront of a tendency that Sandro Mezzadra and Brett Neilson describe as the 'multiplication of labor' understood as 'the parallel operation of the three tendencies – intensification, diversification, and heterogenization of labor – that are increasingly reshaping labor experiences and conditions' (Mezzadra and Neilson, 2013: 91–92). With the term, they strive to supplement the familiar term of the division of labour and hint towards the very heterogeneity of living labour in a time that is characterised by the increasing coalescing of labour and life, the increasing flexibilisation of labour, and shifting and overlapping geographies in the ongoing processes of globalisation.

The concept is indeed extremely effective also in understanding the transformation of labour driven by digital technology and of gig economy platforms in particular. The digital platforms allow the tightly controlled and standardised cooperation of a huge number of (migrant) workers who can come from different backgrounds, experiences, and locations and who are distributed throughout (urban) space. Digital technology and automatically managed and standardised work procedures allow for the quick inclusion and remote organisation, as well as substitutability and fluctuation of workers, and hence contribute to the flexibilisation and heterogenisation of labour.

For the platform workers themselves, we can also observe the literal multiplication of labour in the sense that a huge number of people need to work more than one job. Sometimes platform workers are logged in the apps of various delivery or ride-share platforms at the same time to minimise unpaid waiting times, many also work several different jobs in different sectors to make ends meet. Working as a self-employed rider or driver for different platforms means very often extended and fragmented working days and a further blurring of times of labour and free time. This model of platform labour and the platforms themselves proliferate and multiply across different cities and spaces in a way that is both standardising and adaptive to local conditions and particularities. These platforms interact in particular ways with the patterns and rhythms of mobile labour and produce their own geographies of 'platform mobilities' (Altenried et al., 2020a) Here we may, for example, think again of Francisco, who has worked for the same platforms on three different continents.

If we think about the multiplication of labour as the nexus of digital technology, flexible contractual forms (such as short-term, subcontracted, and freelance) and other forms of irregular employment, and the mobility of labour itself, we can see how these are important developments even beyond the world of the gig economy. We may think of further examples, such as an Amazon distribution centre, where a highly standardised digitally organised labour process allows the flexible inclusion of short-term and seasonal workers to scale the workforces according to fluctuating demand – for example, in the Christmas season. Across the world of work in digital capitalism, we find many examples where the new possibilities of digitally organising, controlling, measuring work produce new configurations and geographies of labour and mobility (Altenried, 2022).

5. Super-exploitation: undocumented workers in the platform economy

Migrant workers are never a homogenous or stable category but a fluid and diverse group stratified by vectors such as residency status, visa and work permits, language and the entanglement of racism, and the social division of labour, broadly speaking. Digital platforms often employ

native workers and migrants from very different backgrounds and with different legal status at the same time. In Europe, however, there are also some tendencies and patterns observable as the conditions of platform labour change over time in a given location. After their launch in new cities, platforms tend to initially pay relatively high wages to attract workers and spread throughout the city. After platforms have reached critical market size, pay and conditions tend to worsen, and this is often the point where migrant workers become the majority of the platforms' workforces, while students and workers with more alternatives move on to other jobs. With the further worsening of conditions and income, often a 'third generation' of undocumented migrant workers enters the picture. As the platforms become less attractive to workers with alternatives in the job market, they gradually leave and are complemented and substituted by workers with fewer alternatives such as undocumented migrants.

This was for example the case in Paris, France, where undocumented migrants constitute an important part of the food delivery platforms' workforces. Alexandre Fitussi, Glovo's general director in France, was quoted in the *New York Times* in 2019 with the estimation that at least 5% of the platform's workforce are undocumented migrants (Alderman, 2019), which is according to other sources, a very low estimation. As those workers normally lack the papers to apply to the platform directly, many rent the accounts of others who have the documents to register with the platforms. In the same article, an 18-year-old recent migrant from Tunisia is quoted with his experience: 'I met a guy who rented me his Uber Eats account for €100 a week'. He tells the interviewer that he works up to 13 hours a day to clear about €200 weekly, half of which goes back to the person he rents the account from.[5]

Such practices can be found in many countries. It is also, for example, very common in many Spanish cities: 'What I think is interesting from Spain is that Deliveroo is a way in for a lot of South American illegal immigrants because of how it is. Like a Spanish guy can have an account, and he can sublet it to other people', reports Sofía, a food delivery rider who has worked both in Madrid and Berlin.[6] Reflecting sympathetically about the situation of her undocumented colleagues in Spain, she mentions how these platforms are a way to earn money for people with little alternatives while acknowledging the enormous precarity of these informal constellations: 'Most of the people working for Deliveroo are Venezuelan people, which is in one way, obviously, super positive because they have a way into the country and to be safe and whatever. But then it's just crazy, the lack of control they have'.[7]

While the subletting of platform accounts can be a practice of solidarity (when Bastián, the Berlin rider quoted earlier, had trouble with his visa, a fellow Chilean rider let him use her account to work without charging him money for it), the renting of account for delivery platforms to illegalised migrants has become an exploitative business in many countries and is sometimes widespread. In the UK, attention-grabbing headlines about illegal migrants working for platforms have caused police raids and actions by platforms to obstruct the subletting of accounts (Bryan, 2019; Gebrial, 2020). A trial in Northern Italy has uncovered the practices of *caporalato* firms who hired vulnerable undocumented migrants for shell companies to have them work as couriers with Uber Eats accounts that were given to them (while they only got a fraction of the earnings). A wire-taped manager from Uber Eats Italy involved in the practice is quoted in a newspaper saying to a co-conspirator 'We have created a system for desperate people' (Allaby, 2021). In a position where they cannot easily complain with the police or the platforms, many undocumented riders across different cities in Europe report that they have to pay a high cut of their income to the people from whom they rent their accounts. While platforms often seem to do little against these practices, headlines and scandals such as the one in Italy have sometimes led to new control mechanisms such as facial recognition software in the apps of some platforms which impede or complicate the subletting of accounts to undocumented migrants.

Generally, it is important to underline that these forms of over-exploitation of undocumented workers are in no way exclusive to the gig economy but rather widespread across many sectors and spaces (in Italy, for example, the practice of *caporalato* is common in the agricultural sector (Perrotta and Sacchetto, 2014) and that the majority of migrant workers of most platforms are not undocumented (even though scandals referenced earlier are no isolated incidents). The undocumented workers are part of the very heterogeneous and fragmented workforces organised by the algorithms of the platforms and they are maybe the clearest example of 'super-exploitation' of migrant labour in the platform economy. With this term, anthropologist Anna Tsing aptly describes situations, where the rate of exploitation is higher than one would expect in a certain location and sector, based on so-called noneconomic factors, such as citizenship, visa, work permits, and residency status in this case (Tsing, 2009: 158).

In any case, these developments including the practice of account renting show how gig economy platforms interact with labour markets characterised by mechanisms of 'differential inclusion' (Mezzadra and Neilson, 2013) stratified by vectors, such as citizenship, visa, work permits, language skills, racism, and many more. These vectors produce fragmented urban labour markets characterised by a range of status and positions. It is especially the various migrant parts of these urban workforces that constitute the labour pools gig economy platforms tap into. With a view to the whole spectrum of migrant work, from undocumented riders who have to rent their accounts to intra-European migrants with a range of social and labour market rights, it should be clear that the category of the migrant is itself far from homogeneous but highly manifold, fragmented, hierarchised, and fluid in multiple ways (Altenried et al., 2018).

These dynamics of migration and the gig economy are in no way exclusive to Europe: reports from North America, India, China, or South Africa, for example, show the importance of mobile and racialised workforces to gig economy platforms across the globe (Greef, 2019; Markham, 2018; van Doorn, 2020; Liu, 2019; Bandeira, 2019; Das and Srravya C, 2021). The same is true for Latin America, the home continent for many of the Berlin platform workers. 'In Chile, it has the same effect as here', explains one of them, the 26-year-old Tomás, who worked for Deliveroo in Berlin after he arrived from his hometown of Santiago de Chile. 'A lot of people from Colombia and Venezuela are working there. So it's like a job that is accessible to them. It's just like the same with us, like another country that is coming with difficulties in terms of economic opportunities'.[8]

6. Conclusion

Today's gig economy cannot be understood without close attention to the dynamics of the mobility of labour. Of course, this is true more broadly: the mobility of labour is both a constitutive and troublesome part of the history of capitalism (Mezzadra, 2006; Bojadžijev and Karakayali, 2007; Arrighi and Silver, 1984). Still, the relation between today's gig economy and migration is special. Across different cities, countries, and platforms (well beyond the case of food delivery platforms that were the main example of this chapter), migrant and racialised workers constitute a crucial component of the workforces of gig economy platforms. The labour model of these platforms based on algorithmic management and the outsourcing of risk onto the workers is geared perfectly towards the exploitation of migrant labour. Hereby, surprisingly similar tendencies can be observed across different locations and platforms. Attention to these logics, however, should not conceal the very heterogeneity of local situations and the ways platforms adapt to these situations. An important aspect of this heterogeneity is the multiplicity of migration itself: from internal migrants to highly qualified documented migrants, from undocumented refugees to circular migration from neighbouring countries; speaking of migration always includes diverse, manifold,

and complex situations and constellations. All these dynamics contribute to highly stratified labour markets along various vectors, such as language and racism or citizenship and visas. These forms of differential inclusion are part and parcel of the multiplication of labour and produce the stratified and fragmented labour markets and a reserve army of migrant labour which are the base for the operations of many gig economy platforms.

With a view to these dynamics and the workforces of platforms across the globe, perspectives from critical migration studies are indispensable for researching the contemporary gig economy. Such perspectives are not only interested in researching specific migrants or groups but also 'migration regimes' and, with this, the constitutive relation between the (im)mobility of labour and labour markets in capitalism (Bauder, 2006; Forschungsgruppe Transit Migration, 2015; Altenried et al., 2017; Bojadžijev, 2008). Such a perspective also helps to understand the logics of differential inclusion – i.e. the mechanisms of gradual, temporary, partial, and variable inclusion of migrant workers into national labour markets and national systems of rights and social protection.

With all the heterogeneity in mind, looking at the gig economy from the perspective of migrant labour still entails a major shift of the focus: from this perspective, low pay and precarity are nothing new or exclusive to disruptive digital platforms but have been the characterising conditions for migrant and racialised labour for centuries, and the history of flexible and contingent labour are closely entwined with this history – and present – of migrant labour. From this perspective, the standard of employment is characterised more often than not by instability, precarity, and over-exploitation. The long history of contingent labour is closely entwined with the history of migrant (and often also feminised) labour. Starting with the *thetes*, the landless labourers of ancient Greece (van der Linden, 2014), and including the mobile day labourers of the feudal system, mobility and precarity have a common history. From the home-based workers in the cottage industry and putting-out system of early capitalism, a system which organised the labour of mostly women and children with the help of piece wages and middlemen into an 'external department of the factory' (Marx, 2004: 591), to the harbours of the United States in the early 20th century where workers, among them many migrants, would show up early every morning hoping to be hired for a day (Bell, 1962), labour paid by the piece and competition for short-term work have been continuities of capitalism. This history reaches deep into the present of global capitalism, digital or otherwise, if we think of migrant day labourers in California and other regions across the world, the urban gig workers of this chapter, or their counterparts working for online labour platforms in what is maybe the first truly 'planetary labour market' (Graham and Anwar, 2019).

With such a history in mind, especially but not exclusively from the perspective of migrant labour, precarity and contingency are the norms, and Fordist standard employment, conversely, us the exception, a short period further limited by vectors of geography, gender, or mobility (Neilson and Rossiter, 2008). Accordingly, gig economy platforms have to be situated in a long genealogy of contingent and precarious labour, a history that is closely entwined with the variegated mobility of labour itself.

Notes

1 Amongst others, *Digitalisation of Labour and Migration* (www.platform-mobilities.net/en) and *Platform Labour in Urban Spaces: Fairness, Welfare, Development* (https://project-plus.eu). I would like to thank Manuela Bojadžijev, Mira Wallis, Valentin Niebler, Stefania Animento, Carlotta Benvegnù, Eleni Kampouri, Melissa Renau Cano, Maurilio Pirone, Marco Marrone, Sandro Mezzadra and many other colleagues from these projects for their collaboration and contributions to this chapter.

2 Pseudonyms are used for all interviewed platform workers.

3 Interview with author, 2019.
4 Ibid.
5 Ibid.
6 Ibid
7 Ibid.
8 Ibid.

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PART III

Worker protest and labour organising

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13

WORKER SOLIDARITY AMONG GIG AND PRECARIOUS WORKERS

Vincenzo Maccarrone and Arianna Tassinari

1. Introduction

The rise of the gig economy has brought once again to the fore the fact that a sizeable share of workers in the North and South of the world experience precarious working conditions. Indeed, the gig economy can be defined as the last frontier of precariousness (Tassinari and Maccarrone 2020; see also De Stefano 2016), as it is characterised by a mix of old exploitative practices, such as the use of bogus self-employment and of piecework, as well as by new technologies of workers' control through algorithmic surveillance and management (Moore et al. 2017; Shapiro 2018; Veen et al. 2020).

Precarious workers have for long been considered to be inherently hard to organise due to structural obstacles to mobilisation such as high turnover rates, weak employment protection legislation, and low union presence. For workers in the gig economy, one could expect this to be even more the case, as the issues facing precarious workers are augmented by new forms of managerial control facilitated by digital technologies (e.g. Veen et al. 2020). Yet in recent years, we have observed notable examples of mobilisations of gig workers all over the world, both in the Global North and in the Global South (Chen 2018; Ford and Honan 2019; Tassinari and Maccarrone 2020).

How can one explain the emergence of workers' solidarity even in the unfavourable context of the gig economy? This chapter aims to address this research question, exploring the triggers and the obstacles to the emergence of solidarity among gig economy workers.

Grounding our analysis in labour process theory (LPT) and referring in particular to Atzeni's (2010) conceptualisation of workers' solidarity, throughout the chapter we provide examples of how the inherent contradictions of the labour process in the gig economy provide the potential for the emergence of solidarity and resistance even in the 'brave new world' of the platform economy and of the mechanisms through which gig workers solidarities are forged, enacted, and contested across different social contexts.

The chapter is structured as follows. In the first section, we provide a definition of workers' solidarity within the capitalist labour process. In the second, we describe work in the gig economy through the lenses of labour process theory. In the third, we explain the emergence of solidarity and resistance in the gig economy, drawing empirical illustrations from the growing literature on the topic. The latter section concludes.

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2. Workers' solidarity within the capitalist labour process

How do we understand the emergence of solidarity among gig and precarious workers? Much of the literature on precarious workers' organising has adopted a top-down perspective (Atzeni, 2021), focusing on the strategies followed by established unions for a greater inclusion of precarious workers. Yet in more recent years an increasing number of scholars have adopted a bottom-up approach (ibid.) which, starting from concrete cases of precarious workers' mobilisation, has analysed processes of organisation and emergence of solidarity, which often happened outside the traditional union form (Però 2019; Rizzo and Atzeni 2020). This has been the case also in the gig economy, where the first instances of mobilisation have been led by self-organised workers' collectives and rank-and-file unions (Tassinari and Maccarrone 2020), with more established trade unions starting to catch up only in recent years.

Accordingly, we also propose to adopt a bottom-up approach to the study of solidarity among gig workers. Our conceptualisation of workers' solidarity (cf. Tassinari and Maccarrone 2020: 39) defines it as 'a condition whereby workers develop collective feelings of reciprocity and responsibility towards one another on the basis of an awareness of their ultimately shared interests and purpose – and are prepared to act upon such feelings through solidaristic actions'. As Morgan and Pulignano (2020: 20) point out, solidarity is, therefore, a form of identification that emerges from work, but that can be articulated at different levels of analysis: from the workplace level to the organisational level of collective action (through trade unions or other organisational forms) up to broader forms of class and societal solidarity embedded in wider institutional arrangements. The level of the workplace appears to be the most appropriate to start from to study the consolidation of solidarity among gig workers, which is – as of yet – an emerging phenomenon, mostly localised and not yet comprehensively articulated in broader, encompassing organisational structures.

Our bottom-up conceptualisation of solidarity starts with the observation that, as noted by Atzeni (2010), the emergence of workers' solidarity finds its roots in material conditions and is inextricably related to the capitalist labour process and its inherent contradictions. Within the perspective of labour process theory (Braverman 1974), the process of extraction of surplus value and the exercise of managerial control over labour is seen as leading to the emergence of conflicts between workers and management that manifest themselves at the point of production through various forms – from individual forms of organisational misbehaviour to shared grievances. These shared experiences that workers have of the capitalist labour process, in their day-to-day activities at the workplace, provide the basis for the consolidation of feelings of collective identity, reciprocity, and responsibility towards one another. Atzeni (2010) defines these feelings as forms of *embryonic* solidarity, which in turn constitute the basis for the emergence of *active* solidarity, which can manifest itself through various forms of collective action (ibid.).

Indeed, although collective mobilisation is arguably the most powerful expression of workers' solidarity, it is only the last step of a process through which workers come to recognise their shared condition (Hyman 1999; D'Art and Turner 2002) and decide to act upon it: 'it is because a form of solidarity pre-exists that other organizational developments can follow' (Atzeni, 2010: 28). The process of formation and emergence of active solidarity can thus be defined, following Martinez Lucio and Stewart (1997), as a 'process whereby workers, by becoming aware of the collective nature of the labour process, develop consciousness of their shared interests and come to act collectively on that sense of unity and mutual dependency, in opposition to management, overcoming the apparent individualisation of their day-to-day work experiences' (quoted in Tassinari and Maccarrone 2020: 39).

It is by now well established in the literature that the different characteristics of the labour process, ranging from work organisation to the regime of control to which workers are subject, affect the development of workers' solidarity, the process through which such recognition of shared conditions can take place and the form in which solidaristic attachments become manifested (Hodson 1997; Hodson et al. 1993; Vallas 1987). Broader features of the organisational and institutional environment, in turn, can also affect the consolidation of solidaristic attachments at the organisational and societal level (Morgan and Pulignano 2020).

In turn, solidarity can manifest itself in a myriad of forms – ranging from day-to-day acts and behaviours of reciprocity and mutual support at the workplace level to forms of more or less visible collective action that can take diverse manifestations in both physical and virtual formats.

To some extent, as noted by Wood et al. (2018: 96), 'worker identities and self-organisation are shaped by the manner in which the production process is structured'. Yet in line with the insights of Fantasia (1988) and Atzeni (2010), we do not assume a deterministic relation between the labour process and the emergence of workers' solidarity. Instead, 'the development of solidarity is conceptualised as a historically specific, evolving process, underpinned by workers' agential practices, where different context-specific factors can combine to explain its emergence and manifestation' (Tassinari and Maccarrone, 2020: 40) – as well as its possible non manifestation.

In the next section, we thus analyse the features of the labour process and of employment relations in the gig economy, which will allow us in turn to highlight the constraints and the potential triggers for the emergence of workers' solidarity; and we then move on to analyse the different concrete forms that manifestations of solidarity have taken thus far among gig workers across the globe.

3. Labour process in the gig economy

The term 'gig economy' covers a broad array of work activities and different types of platforms. Whereas scholars have proposed several typologies to differentiate among digital work platforms, the gig economy can be understood as a 'continuum' (Heeks 2017; Gandini 2019) which ranges from work activities which are fully conducted online ('digital gig economy', in Heeks' words) to activities which are contracted out online but are tied to a physical location ('physical gig economy'). The digital gig economy includes microwork platforms, such as Amazon Mechanical Turk, where workers complete basic tasks such as data entry, as well as platforms such as Upwork, which intermediates more complex online freelancing activities such as web design or translation. Here, work can be contracted out potentially on a global basis as it is not tied to a specific physical location (De Stefano 2016). Instead, the physical gig economy includes platforms which intermediate locally based work activities, such as transport (Uber, Didi), delivery (Deliveroo, Glovo, Uber Eats), and cleaning or running errands (Handy, TaskRabbit) (De Stefano 2016).

Despite variations in work activities within the gig economy, one can identify some broad similarities in terms of the labour process (Gandini, 2019), which in turn create potential triggers as well as obstacles for the emergence of solidarity.

The first and most evident common trait in terms of work organisation in the gig economy is the decentralisation of the *point of production* – that is, 'that specifically designed, clearly delimited environment whereby the transformative process of labour normally takes place' (Gandini, 2019: 1044). Indeed, whereas traditional workplaces such as factories and offices are still characterised by a physical compresence of workers (albeit this might change following the COVID-19 pandemic), platforms in both the digital and physical gig economy seek to individualise work

activity, managing a geographically dispersed workforce. This applies to both the digital gig economy, where work activity is fully decentralised, but also to the location-based gig economy, as workers operate in a spatially dispersed workplace (the city itself) and interact primarily with the platform which allocates them their gigs.

Thus, as Gandini (2019: 1045) points out, in the case of the gig economy, the point of production is the *platform itself*: 'platforms act as the milieu within which the capital – labour relation is enacted upon workers . . . the platform represents the place whereby the social processes of production are put under logics of managerialization and work organization within a single, clearly delimited environment'.

The individualisation of the work activity is further reinforced by the individualisation of employment relations which most platforms seek to apply. Bar a few exceptions, driven by legal challenges brought forward by workers and trade unions in more recent years, most of the platforms treat workers as self-employed or independent contractors (with different contractual models between countries depending on legislation). Moreover, workers usually employ their own means of production (laptops, smartphones, cars, bikes, etc.) to complete the gigs. This allows companies to minimise labour costs and maximise work flexibility: 'workers are provided "just-in-time" and compensated on a "pay-as-you-go" basis' (De Stefano 2016: 4). In turn, this means that gig workers do not usually enjoy traditional labour rights, such as sick or holiday pay, or the payment of a minimum wage. It also implies that normally they do not have access to traditional collective bargaining channels, nor are they entitled to union representation.

Given these features of the labour process, the gig economy is characterised by a high structural turnover and relatively high substitutability of workers. Moreover, the workforce tends to be segmented according to the attachment to the job, between a small 'core' relying on gig work as a primary income source and a larger margin participating sporadically (Broughton et al., 2018; Wu et al. 2019). Depending on the type of platform, segmentation and hierarchies within the gig workforce can also emerge on the basis of nationality, ethnicity, skill level, and another socio-cultural identity, such as gender and migration status (van Doorn 2017; Anwar and Graham 2020).

Another broad commonality in terms of the labour process in the gig economy is the *regime of control* adopted by platforms. Even if the point of production is decentralised, platforms maintain a high degree of control on gig workers. This happens through various forms of 'techno-normative' control (Gandini, 2019), which ensure the management of a geographically dispersed workforce. Workers' performance is rated through customers' feedback and, in turn, affects the likelihood of receiving further gigs (Anwar and Graham 2020). In the case of platforms such as Uber, falling below a certain threshold of customers' evaluation can lead to dismissal through the deactivation of a driver's account (Wu et al. 2019). Platforms can also employ other quantitative metrics to evaluate workers' performance – such as the number of gigs completed or the average time needed to complete a gig – or even engage in direct live monitoring of performance – for example, by taking automatic screenshots of gig workers' screens to track the use of working time (Anwar and Graham 2020). Some platforms use such metrics explicitly to rank workers for the assignment of new gigs (Griesbach et al. 2019; Heiland 2021). Opaque algorithmic methods are also often used by certain platforms – especially in the location-based gig economy – to unilaterally set the pricing of gigs, leading to fluctuating and unpredictable levels of remuneration (Griesbach et al. 2019; Lei 2021). Even when metrics are not used explicitly, workers experience a significant degree of asymmetric information vis-à-vis platforms, as companies usually maintain secrecy on the mechanisms used for the allocations of gigs and for performance management more generally (Shapiro 2018; Veen et al. 2020), and are subject to frequent, unilateral changes in contract terms or platform rules (Lei 2021).

Beyond opaque algorithmic management methods (Veen et al. 2020), platforms also employ gamification techniques (Gandini 2019) to extract more effort from workers, challenging them to constantly ameliorate their personal best. Other strategies of labour control within the gig economy include the use of financial incentives and nudges to ensure enough supply of labour in specific conditions. Examples include Uber's 'surge pricing' system to ensure the presence of drivers in certain areas (Gandini 2019; Wu et al. 2019) or the financial incentives provided by food delivery platforms to ensure deliveries even in rough meteorological conditions (Heiland 2021) or during strikes (Marrone and Finotto 2019). In turn, financial incentives can be directly linked to metrics measuring workers' performances (Wu et al. 2019), confirming the insight of LPT that capital control practices are complementary and interlinked (Veen et al. 2020; Heiland 2021).

The features of the labour process in the gig economy shape the possibility for emergence of workers' solidarity. The decentralisation of the point of production pursued by platforms would lead one to expect that the basis for the emergence of solidarity is weaker than in traditional workplaces still characterised by workers' physical compresence, 'where the "collective" nature of the labour process may be more easily apparent' (Tassinari and Maccarrone 2020: 40). Indeed, as work activity in the gig economy is individualised and geographically dispersed, 'the reality of collective participation in the labour process' (Martinez Lucio and Stewart 1997: 53) might be obfuscated, hindering the emergence of solidarity among workers. The fact that often workers compete for the same gig might pose a further obstacle to the development of workers' awareness of their shared interests, especially if the labour market is tight and the supply of gig workers exceeds demands, thus heightening competition and substitutability (Heiland 2021). This is further reinforced by the structurally high turnover and internal segmentation of the workforce in terms of the attachment to the job. Moreover, the various forms of techno-normative control that we briefly described might inhibit workers' attitude towards collective action for fear of retribution. Finally, the emergence of active solidarity is further deterred by the fact that classification of gig workers as independent contractors means that their protection from dismissal is lower and that they have less access to traditional channels of workers' voice such as unions. The adoption of self-employment contractual arrangements can also shape the identities that gig workers embrace, possibly reinforcing the development of entrepreneurial-freelancer identities based on discourses of flexibility and autonomy that can potentially hinder the consolidation of collective 'worker identities' and make the appeal of 'traditional' forms of labour organisation, such as unions, harder to consolidate, especially – but not exclusively – among platform-based freelancers (Wood et al. 2018; Barrat et al. 2020).

Despite the obstacles posed to the emergence of workers' solidarity, the labour process in the gig economy is also characterised by inherent contradictions which, as we will show in the next section, can lead workers to recognise their shared condition and interests, engage in solidaristic behaviours, and consolidate a sense of antagonism against management, leading to the emergence of active solidarity and cohesive action. Tassinari and Maccarrone (2020) identified two main contradictions which acted as triggers for the emergence of workers' solidarity in the gig economy. The first arises from the process of valorisation adopted by platforms, which aims to minimise labour costs and maximise work flexibility: grievances over decreasing remuneration, working time, and insecurity perceived as unjust can act as a powerful source of antagonism in the labour process (cf. also Griesbach et al. 2019). The second contradiction is related to workers' experience of asymmetric information, opaque managerial control and clients' arbitrary behaviour facilitated by algorithmic management and by untransparent rating mechanisms (Shapiro 2018; Wood et al. 2018; Veen et al. 2020). As Lei (2021) points out, when direct supervisory relationships are absent from the platform architecture, the managerial figure is 'invisibilised' via algorithmic management, and platforms rely on unilateral rule changes

without channels of direct communication to explain them or enforce them, this can lead to more acute grievances, as the perception of arbitrary control and despotism experienced by couriers is intensified. In short, the more blatant, recognisable, and unbridled the arbitrariness and unilateralism of platforms' modes of technical and legal operation, the greater will be workers' feelings of injustice and the chances of collective contention emerging (Lei 2021).

Notwithstanding these 'structural' triggers of solidarity, other more contingent factors relating to the specific 'socio-technical structures' (Anwar and Graham 2020: 1272) or 'platform architectures' (Lei 2021) employed by different platforms, to workers' identities and backgrounds, and to features of the local context can either facilitate or shape in different ways the emergences of solidarity. In the next section, we explore more in depth these factors, drawing empirical illustrations from the growing literature on the topic.

4. Solidarity and resistance in the gig economy

Despite the constraints arising from the various features of the gig economy labour process discussed previously, over the last few years various manifestations of workers' solidarity and overt resistance in different segments of the gig economy have nonetheless emerged with increasing frequency and growing visibility all over the world. Such visible and collective forms of solidaristic behaviour among gig workers, more common in the location-based gig economy, coexist with the omnipresence of less visible or altogether 'hidden' form of labour agency and solidaristic attachments which characterise especially the diverse segments of the online gig economy. We now discuss these diverse forms, mapping them along a continuum of visibility, and highlight both the common mechanisms underpinning their emergence, relating them to the main contradictions in the gig economy labour process which we identified earlier, and the differences related to both local context and features of the platforms' socio-technical structures.

The most visible forms of workers' solidarity in the gig economy have been strikes and physical protests in the location-based gig economy, especially within the food delivery industry and in the ride-hailing industry. Both in the Global South and Global North, since around 2015, such episodes of labour contention where gig workers explicitly target platforms expressing grievances towards their practices of contracting, work organisation and remuneration have become increasingly commonplace. While it is not possible to conduct a comprehensive survey here, episodes of mass contention targeting food delivery platforms and ride-hailing platforms have been well documented across all over the world (Chen 2018; Ford and Honan 2019; Wells et al. 2021; Tassinari and Maccarrone 2020). These expressions of collective active solidarity usually entail both the exercise of gig workers' structural and symbolic power. Gig workers often engage in the collective withdrawal of their labour from the platforms through mass log-outs from the apps, with a goal to inflict disruption to service provision, and/or orchestrate public protests targeting the platforms which can manifest themselves both as physical blockades in the urban space, aimed at gaining visibility and gathering support from the public and from local policy/lawmakers, as well as the mass targeting of the companies in the online sphere – e.g. through 'shitstorming' of the company's social media presence or coordinated campaigns on social media.

Besides the specific dynamics of contention, what is most relevant for our purposes is to highlight the common processes through which embryonic solidaristic attachments are consolidated and eventually result in the expression of active solidarity. As highlighted in the previous section, different features of the labour process provided trigger points (O'Sullivan and Turner, 2013) for the emergence of workers' cohesive action. A unilateral change in the company's pay strategy, entailing the move from an hourly salary to a piecemeal pay to shift the enterprise risk onto workers, was the leading motivation for the emergence of the first strikes in the European

gig economy. This was the case in the mobilisation of Deliveroo riders in the UK in the summer of 2016, soon followed by their colleagues in Turin, Italy (Tassinari and Maccarrone, 2020). The unilateral reduction in fares for drivers was also the main trigger for the autonomous organising process of Uber drivers in London from 2014 onwards (Aslam and Woodcock 2020).

Although pay is obviously a key issue for gig workers, arduous working conditions and concerns over personal safety were also powerful drivers of mobilisation for location-based gig workers. The first strike of food delivery couriers in Bologna, Italy, took place in November 2017, when riders were asked to continue working even under harsh weather conditions following a snowstorm (Marrone and Finotto, 2019). In their protests, the workers subsequently highlighted the lack of a proper accident insurance, in turn linked to their precarious contracts. In Dublin, the first mobilisation of food couriers in 2019 also took place over concerns of personal safety, after many of them reported of having being attacked by teenage gangs while doing their job. Health and safety were also a key concern for couriers during the COVID-19 pandemic, as delivery of goods was among those activities which were deemed as essential and thus continued uninterrupted. Leveraging both legal challenges and mobilisations, during the pandemic in Italy food delivery workers have been able to obtain personal protective equipment from the platforms and public authorities, as well as some guarantee of sick pay in case of illness or mandatory quarantine (Maccarrone and Tassinari, 2021).

Alongside decreasing pay and concerns about health and safety, the second main 'contradiction' in the gig economy labour process which facilitated the emergence of collective contention relates to features of the 'platform architecture' (Lei 2021) and of the model of work organisation adopted by location-based platforms, which in turn shapes workers' experience of asymmetric information and opaque managerial control. An important aspect of platform architecture which impacts the emergence of solidarity is the extent to which specific features of the platform architecture of location-based platforms can lead to the perception of working conditions as unfair and exploitative and to the attribution of such grievances to the platform.

In a research on labour contestation in delivery platforms in China, Lei (2021) finds that the managerial and legal model of operation adopted by gig platforms – which involves surrendering most of the supervisory power of management personnel over couriers, relying instead on automated algorithmic management so as to eschew having to adopt 'traditional' employment relations arrangements – acts as a catalyst for the emergence of solidarity, otherwise absent in other platforms that adopt more traditional models of supervisory relationships. This is because the absence of 'traditional' managerial arrangements and the frequent unilateral changes to platforms rules, not embedded in broader legal frameworks recognised as legitimate and predictable, exposed couriers to unilateral relationships of power and control that were experienced as arbitrary, despotic, and ultimately unfair, without being embedded and stabilised by any 'hegemonic' means of control that could stabilise discontent. The mutual reinforcement of these different despotic dimensions of control, in turn, increased the likelihood of moments of escalation and solidarity to emerge among workers.

While different features of and contradictions inherent in the labour process help to explain the emergence of workers solidarity in the gig economy, various factors pertaining to the organisational and social context within which platform workers are embedded and to their own agential and social practices have also facilitated the consolidation of solidaristic attachments. Diverse studies of gig workers mobilisation (cf. Marrone and Finotto 2019; Tassinari and Maccarrone 2020; Heiland and Schaupp 2021; Lei 2021; Wells et al. 2021) highlight, for instance, the important role played by 'free spaces' (Polletta, 1999) – whether physical or online – where gig workers can air their individual grievances with one another, recognise their shared nature and engage in a process of collective framing of discontent and injustice, and come

to attribute such emerging discontent to the platform. Such meeting spaces can be either physical locations in the urban space, such as the common waiting points (squares, restaurants, parking spots) where workers wait for their gigs – be they deliveries or rides – to come in (Tassinari and Maccarrone 2020; Heiland and Schaupp 2021; Wells et al. 2021) or locations such as bike repair clinics or after-work socialising spaces (Marrone and Finotto 2019). Alternatively, they can be online spaces, such as chat groups on WhatsApp or other social media, often – but not exclusively – initially organised by the platforms themselves to coordinate the work effort and then repurposed by the workers to have channels of autonomous communication (Aslam and Woodcock 2020; Maffie 2020; Tassinari and Maccarrone 2020; Heiland and Schaupp 2021).

These physical or virtual meeting spaces are important in the process of solidarity development, as they act as collective spaces, free from the managerial gaze, where the workers can initially overcome their condition of seeming individualisation and engage in spontaneous interactions that can facilitate the emergence of feelings of reciprocity and the consolidation of shared identities and grievances. Eventually, such virtual or physical meeting sites also usually acquire an important logistical-practical role in the concrete organisation of the first acts of protests and collective action.

Location-based platforms also present other features that arguably facilitate the consolidation of collective active solidarity. First, Tassinari and Maccarrone (2020) highlight that the chances for workers' physical compresence afforded by location-based platforms allow workers easier access to 'free spaces' where they can discuss, meet, and recognise each other's shared grievances and develop mutual feelings of reciprocity and community that lead to the emergence of solidaristic behaviours. These findings were echoed by Heiland and Schaupp's 2021 study on the development of 'cultures of solidarity' (Fantasia 1988) among food delivery workers in Germany and by Wells et al.'s (2021) findings about the importance of airport parking lots as spaces facilitating the breaking of socio-spatial atomisation among Uber drivers in Washington, DC, and enabling the orchestration of moments of collective agency such as, in this case, gaming of Uber's surge pricing system. Physical co-presence in urban spaces can, in turn, facilitate the consolidation of solidarity by increasing the visibility of moments of contention – thus compelling other workers to join in – and facilitating the forging of links with other segments of the precarious workforce, as witnessed for example in the cases of gig economy riders' mobilisation in Italy and the UK (Tassinari and Maccarrone, 2020) or in the alliances between Uber drivers, Deliveroo riders, and other urban precarious workers organised through grassroots unions forged in London (Aslam and Woodcock 2020). Second, most location-based platforms act as *de facto* employer vis-á-vis their workforce with sole responsibility for the setting of remuneration for gigs and for the disbursement of payments; in the online gig economy, platforms act more as intermediaries between a dispersed workforce and multitude of clients ultimately responsible for setting rates. This implies that in the location-based gig economy, the platform architecture facilitates an easier process of attribution of grievances to the platform and the identification of protest targets, harder to achieve in the context of online gig work platforms.

Besides these most visible instances of collective contention, the extant research has also highlighted that the expression of solidarity among gig workers can take multiple, albeit less visible, forms. In the context of location-based platforms, researchers have documented that active solidarity can be expressed among gig workers through a myriad of behaviours of mutual support that, while not directly antagonistic, embody solidaristic attachments among workers. These can range from sharing material resources – such as food, spare tires, and cigarettes – in order to make the work activity less tedious and more bearable, to helping each other out in case of injury or accidents, to sharing information and advice on how to navigate and possibly game the platform's operations and algorithms to the workers' advantage (Chen 2018; Marrone

and Finotto 2019; Tassinari and Maccarrone 2020). Similar solidaristic behaviours have also been widely documented in the remote/online gig economy (Anwar and Graham 2020; Wood et al. 2018; Wood et al. 2019; Wood and Lehdonvirta 2021). These studies have documented how, despite the lack of opportunities for physical compresence, online gig workers engage in solidaristic behaviours through various online channels such as forums, chat rooms, and groups on social media. These spaces – which Wood and Lehdonvirta (2021), building on Korczynski (2003), conceptualise as 'digital communities of coping' – serve as important fora to structure remote gig workers' communications and can give them a chance to forge community relations and build collective identity (Anwar and Graham 2020).

The interactions that take place in such online spaces and the behaviours that they facilitate can be described as solidaristic, insofar as they have been found to often revolve around the provision of community support, mutual help, and information sharing to navigate the workings of the platform and cope with the various forms of insecurity generated by platform work (Wood et al. 2018; Anwar and Graham 2020; Maffie 2020). It is especially interesting to observe that such solidaristic coping behaviours emerge even among workforces characterised by high levels of competition, oversupply of workers, and the widespread presence of 'freelancer identities', such as the online freelancers studied by Anwar and Graham (2020) and Wood et al. (2018). The evidence as to whether such online spaces can ultimately facilitate the emergence of more visible forms of solidaristic action and facilitate collective labour contention is, thus far, more limited. While Maffie (2020) finds that online networks of Uber drivers do shape positively workers' attitudes towards unionisation, Wells et al. (2021) find that the potential of online forums and social media networks, in and of themselves, to facilitate collective contention is more limited. Both Anwar and Graham (2020) and Wood et al. (2018) also find that, so far, the forms of resistance facilitated by such online spaces among remote gig workers are mostly individual and do not *directly* embody antagonism or challenge platform power. However, digital communities of coping could potentially provide a breeding ground from which more visible forms of solidarity and consciousness for collective action could potentially emerge, especially if organised labour actors were to tap into the new workers' identities and grievances that emerge through such fora (Anwar and Graham 2020). Overall, the emergence of such solidaristic ties even among dispersed workers in online fora testifies that the process of consolidation of workers' solidarity is not overdetermined by structural obstacles, however hostile the platform architecture might be, but is an ultimately open-ended, agential process.

Finally, another form of workers' solidarity which has emerged over recent years and which might have interesting consequences for the future of the platform economy is the rise of worker-led cooperative platforms. In countries such as France, Italy, and Spain, former couriers of some of the largest food delivery firms have set up their own delivery platforms with the stated aim of ensuring fair wages and working conditions (O' Brien, 2020; Nardi, 2021). While it remains to be seen whether these worker-led platforms will be able to thrive, in a market mainly based on competition on labour costs (Tassinari and Maccarrone, 2020), it is interesting to note that these initiatives are born directly as a workers' solidaristic reaction to their experience of exploitative working conditions.

5. Conclusion

In this chapter, we have argued that the emergence of workers' solidarity among precarious workers in the gig economy finds its roots in the contradictions inherent in the labour process of the gig economy, which, despite the many obstacles, surface as antagonisms at the point of production. Through various social mechanisms of collective identification, such solidarity

become articulated in a myriad of more or less visible solidaristic behaviours – ranging from covert individual acts of resistance to mutual help and support and to overt collective action and contestation. Building on a growing body of literature on the dynamics of workers' solidarity, resistance, and collective action, we have shown how workers' solidarity can emerge in different forms and through varied channels, both in the location-based gig economy and in the online/remote gig economy, despite the various obstacles that the platform architecture (Lei, 2021) poses to the consolidation of solidaristic attachments. These insights underscore the idea that, counter to notions of pessimistic techno-determinism, worker agency is possible even in hostile contexts characterised by socio-spatial individualisation, algorithmic control, and unilateral and arguably despotic approaches to the management of employment relations.

Our contribution has been mostly focused on identifying the common mechanisms which underscore the emergence of solidarity among gig workers in diverse contexts. At the same time, it must be highlighted that the emergence of workers' solidarity in the gig economy is neither a seamless nor a homogenous process but is significantly shaped by structural factors, such as the features of platform architecture design and the specific configurations of control that they adopt, as well as by features of the local labour markets in which they are embedded; by social factors, such as the socio-cultural identities of gig workers and the political and social dynamics in the communities and localities in which they are embedded; and by institutional factors, such as the institutional framework of labour relations, labour and product market regulation, and the broader workforce control regime, including the migration control regime, within which platforms are embedded.

Fruitful avenues for future research can be focused on investigating further the spatial and temporal nuances of solidarity manifestation and how these dynamics are mediated by specific geographical, social, and institutional contexts. For now, it is important to underscore that the episodes of gig workers' solidarity, which have manifested themselves through collective action across the world have started to bear important results. First, they have contributed to raising considerably public attention and awareness about the exploitative nature of gig work, making the issue politically salient in many countries and creating the conditions for public, broader challenges to platform power and for the forging of broader solidaristic relationships with other segments of the precarious workforce and of organised labour – including both established and rank-and-file unions. In many countries, gig workers' protests have occasionally also resulted in changes to the regulatory framework to provide better employment rights and protections. Thus far, these concrete results of re-regulation have, as of yet, mostly been limited to location-based gig platforms with great public visibility, such as ride-hailing platforms and delivery platforms. Nonetheless, the examples of workers' solidarity which we have provided throughout this chapter can constitute a basis for further improvements of workers' conditions, even in the 'Brave New World' of the gig economy.

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14

VULNERABLE FOOD DELIVERY PLATFORMS UNDER PRESSURE

Protesting couriers seeking 'algorithmic justice' and alternatives

Kurt Vandaele

1. Introduction

App-based food delivery is the most visible type of platform work.[1] Couriers are easily identifiable on city streets and in restaurant zones via their platform-branded backpacks and outfits – at least if they are transporting the food by moped or bicycle. In the latter case, couriers provide visibility to the act of cycling itself and its neglect in 'automobile-dominated' urban planning (Lee 2018; Popan and Anaya forthcoming). Other dynamics also point to their (spatial) visibility, with the COVID-19 pandemic 'promoting' them as 'essential workers' for quarantined (anxious) households in lockdown cities. With Europe at its epicentre, followed by Asia and Latin America, collective resistance in the platform economy has predominantly surfaced in food delivery (Trappmann *et al.* 2020). This has attracted considerable press and media coverage at times, denoting the discursive power of couriers, at least in liberal democracies. This makes app-based food delivery, together with ride-hailing, almost symbolic of platform work as such.[2] A charm that is appealing yet misleading. As an offline, location-based type of on-demand platform work, developments and outcomes within food delivery are hard to generalise to other types marked by different forms and locations.

This chapter takes stock through a literature review of the knowledge accumulated so far on employment relations within app-based food delivery. The geographical focus lies upon high-income countries in Europe. This entails a certain bias, although occasional reference is made to countries in other regions like China, where food delivery is a much larger market than in Europe (Linchuan Qiu *et al.* 2021). Apart from regulatory matters on employment status, research on employment relations within food delivery platform companies has mainly focused on three main areas which are sometimes combined as they overlap.[3] The bulk of empirical studies is focused upon unpacking algorithmic management, applied by the platforms for monitoring and controlling labour, often in relation to the practical experience of couriers or its effects on their working conditions. Scholars have also mapped forms of individual or collective resistance by couriers, whereby resistance or the lack thereof has mainly been explained via labour process theory. Finally, research has explored and categorised

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emerging (new) types of collective representation and (informal) organisation, including examining the promises of labour market intermediaries, or a return to the old cooperative form in a new platform coat.

This chapter argues that food delivery platforms are facing increasing pressure from various actors exposing their (economic) vulnerability in labour and product markets. Three actors are identified: restaurants and their customers; regulatory actors; and the couriers themselves.[4] First, app-based food delivery, as a local, urban phenomenon, looks like an industry where alliance-building is possible between restaurants, customers, and couriers in the product market, conceivably backed by political authorities, in a search for alternatives based on other values than the profitmaking one pursued by platforms. Second, recent court rulings or rulemaking by political authorities are increasingly directed towards the greater regulatory embeddedness of platforms in the labour market – at least in Western Europe. Third, regulatory responses cannot be separated from the building of associational power by couriers in the labour market and their disruptive capacity in the product market. Their bottom-up struggles are combined with discursive power and could entail coalition-building between associations of couriers and grassroots or mainstream trade unions.

While the importance of each actor is mediated by the local organisational and institutional-regulatory context, this chapter puts the emphasis on the couriers. It aims to be an 'antidote' to some (ahistorical) studies which often deductively accentuate the overwhelming control of labour by the platforms and the overall helplessness of couriers. Instead, revealing the vulnerability of the platforms, the reality of collective resistance by couriers is our inductive starting point. Rooted in thinking about historic labour-capital dynamics, this focus echoes the belief that the algorithmic-driven command of platforms cannot be synonymised with passive and powerless couriers (see also Ferrari and Graham 2021). Quite the reverse: their agency is challenging the long-term sustainability of the work organisation of platforms and, hence, their current business model.

2. Algorithmic management, regulatory arbitrage, and micro-entrepreneurship

The organisational work model of food delivery platforms rests upon three main features: algorithmic management, regulatory arbitrage, and an asset-light model framed and promoted as 'micro-entrepreneurship'. Algorithmic management has been stamped a 'panopticon' (Woodcock 2020) deviating to 'despotic behavior' (Griesbach *et al.* 2019) vis-à-vis the couriers. The platforms rely upon algorithms for coordinating demand by customers and supply by restaurants in the product market and for monitoring and controlling couriers in the labour market. The latter is secured via shift allocation based on past work performance, in a non-transparent way, while algorithms minimise idle time via flexible scheduling to reduce labour costs. Algorithmic management thus goes hand-in-hand with 'information asymmetries' and 'performance management systems' for bolstering and perfecting labour control (Veen *et al.* 2020). Platforms are also trying to influence the behaviour of couriers via nudging and gamification so that they push the envelope on orders to be taken (Linchuan Qiu *et al.* 2021; van Doorn and Chen 2021). Lastly, as a personal service, food delivery is also emotional labour in which customers can evaluate couriers via rating systems.

The model of employment goes together with regulatory arbitrage.[5] Food delivery platforms mostly make use of contractual arrangements via 'independent contractors'; sometimes, however, they rely on a genuine employment relationship dependent on country-specific

classification schemes. Interestingly, the involvement of staffing agencies as intermediaries offering subcontracting arrangements has conversely triggered a certain degree of de-flexibilisation of the employment model among full-time couriers in China resulting in sticky labour instead of flexible labour (Linchuan Qiu *et al.* 2021; Sun *et al.* 2021). Even so, employment models, and the type of remuneration associated with them, being of a piece-rate nature or otherwise commonly differ between platforms or even within the same platform. This fragmentation of employment models provides opportunities to control labour supply (Heiland 2021b). This can be understood as an example of 'fissured workplaces' (Weil 2014), while its casualisation fits with the increasing level of precarious employment in the Global North. It either implies an informalisation of formal labour or a technical formalisation of existing informal labour. The latter, a continuation of informal arrangements, seems more common in the Global South (Chan 2021; Parwez and Ranjan 2021), although it can also apply to the Global North in the case of previous off-the-books models of food delivery.

Structuring the employment model through 'contractor' arrangements implies that labour costs are reduced. Not only that, however: couriers must also bear occupational and safety risks, including injuries due to traffic accidents, on top of the other risks inherent in the labour market in general. Furthermore, earnings are usually uncertain as profitable shifts are contingent on performance-based scheduling (Piasna and Drahokoupil 2021), working hours include unpaid time while waiting for orders, and long working hours can also distort the work-life balance. Social protection is minimal, and the contractor form also strips away individual and collective rights for couriers that go with a genuine employment relationship. At best, platforms paternalistically foresee channels for grievance handling while, in a self-regulation move, some have installed insurance schemes covering accidents at work or hospitalisation. Efforts have further been enhanced regarding social insurance such as income replacement due to work-related injuries or illness, not least since the outbreak of the COVID-19 pandemic (ILO 2021: 92), although a platform like Uber Eats has remained apathetic in the Japanese context (Umer 2021).

Finally, the asset-light model requires couriers to bring (or purchase) their own equipment. A smartphone and a bicycle, or another means of transport, is all one needs to join the neoliberal Valhalla of micro-entrepreneurship.[6] The associated language legitimises and simultaneously obfuscates regulatory arbitrage (van Doorn 2020). Yet despite rather opaque contractual arrangements, couriers are subject to a range of human resources management practices, often in a concealing and 'hybrid' way, so that platforms may exert the tight control over the labour process required by their business model (Meijerink *et al.* 2021). Unfettered flexibility and employment autonomy through self-determined working time is illusory (Franke and Pulignano forthcoming; Griesbach *et al.* 2019), however, and this has not altered since the COVID-19 pandemic (Renau Cano *et al.* 2021). For instance, working time flexibility is constrained by orders: working time objectively depends on the opening hours of restaurants, culturally influenced mealtimes and seasonal- and weather-dependent high-demand hours (Heiland 2021b). Importantly, the subjective understandings of couriers about work autonomy can nevertheless differ as this might well 'fit' with their life circumstances (Goods *et al.* 2019). The couriers' own experiences and perceptions of their delivery job are thus important for constructing solidarities (Herr 2021), yet together with algorithmic management and regulatory arbitrage, their possible internalisation of an 'entrepreneurial framing' (Veen *et al.* 2020: 396; see also Galière 2020) has produced pessimistic accounts of the agency of the couriers. Not all of them are accepting of the homogenising flexibility narrative of the platforms about their workforce, however (Shanahan and Smith 2021).

3. A heterogeneous on-demand workforce delineating labour market segmentation

Data on the size and characteristics of the workforce within the platform economy is generally flawed, and food delivery is no exception. Although the global number of couriers can only be estimated, their demographic profile, motives, and collective attitudes have been charted in several countries.[7] The delivery job looks especially gender skewed as only a minority of jobs today seem to be taken by women.[8] A further explanation of women's under-representation hints at, for instance, the risk of sexual harassment and the neglect of the public space (Popan and Anaya forthcoming). Couriers tend to be young, as many are students, and they have high educational levels in comparison with those in similar industries in the conventional economy (ILO 2021). Proportions across locations within and between countries might be divergent, while the social composition in some cases might have altered in some way since platforms emerged, also recently because of the possible inflow of people from impacted industries since the pandemic.

Apart from gender and age, other characteristics point to the heterogeneousness of the workforce beyond the contractual arrangements. This opens possibilities for the platforms to install labour market segmentation, forcing couriers to overcome such segmentation to mount effective collective resistance. Calling for an intersectional analysis, food delivery platforms in the Global North also rely intensively on migrant labour: 'app-renting' is a practice among couriers with undocumented migrant status as they have difficulties in accessing more formal jobs (Arasanz and Sanz 2021). Low barriers to entry thus incentivise migrants to favour platforms over the conventional economy as the latter is regulated by immigration and asylum policies related to employment and welfare rights (van Doorn *et al.* 2020). Rural-urban migration seems to play a role in the Global South: couriers have often moved from rural areas to the cities where the platforms are active yet where access to social benefits might be restricted (Chan 2021; Parwez and Ranjan 2021).

The labour market is marked by high turnover due to the recruitment practices of food delivery platforms (Meijerink *et al.* 2021). Overstaffing and an almost continuous influx of new, mutually competing couriers are its consequences. Couriers' marketplace bargaining power is therefore muted (unless non-wage income is sufficient to live on). They are easily replaceable from the perspective of the platforms, while the delivery job is 'low-skilled' and growing levels of unemployment can also deteriorate their leverage. Most couriers either want to top up their income, or they are searching for other labour market alternatives. It is believed that such a short-term commitment among couriers reduces 'their appetite for more radical forms of agency' (Barratt *et al.* 2020: 1654). Yet sometimes in conjunction with other (platform-mediated) jobs, the delivery job can also be the main income supporting their livelihood. There are thus different levels of labour market integration among couriers (Lee 2021), which is crucial for understanding the subjectivities of job satisfaction: 'workers' expectations about how long work would be undertaken shaped their perceptions of quality' (Goods *et al.* 2019: 520). While job satisfaction among couriers has been found generally to be low in Germany (Heiland and Schaupp 2021), like in Australia, subjective perceptions of it differ also in Belgium, implying an association with varying attitudes towards collective representation (Vandaele *et al.* 2019). Positive attitudes by certain couriers towards trade unions in general do not necessarily imply that they consider them effective in app-based food delivery, however. Even so, the dynamics between platforms and couriers regarding their spatial strategies suggest at least the possibilities of shaping collective identities (Heiland 2021a).

4. Bound to the local scale, delivering in urban spaces

Food delivery is a physical and time- and place-dependent logistical service. Whether platforms invest in local markets is conditional on a sufficient number of restaurants, couriers, and consumers who can afford this personal service. Also, policies by political authorities fostering 'touristification' cannot attract only platform-based lodging companies without also attracting food delivery platforms (Marrone and Peterlongo 2020). Since they are operating in a particular place, being 'geographically tethered' (Woodcock and Graham 2020: 50–52), their spatial fix is different from online platforms which are largely removed from local institutional-regulatory frameworks, although they are not 'placeless' (Johnson 2020). The spatial fix of food delivery platforms goes alongside a certain economic vulnerability compared to online platforms since the network effects are essentially limited to the local scale: they must be built up in every city to generate demand (Drahokoupil 2021).[9] Consequently, continuous investment is needed to maintain network effects in price-sensitive, fragmented markets. Incentives to strengthen loyalty among customers and couriers also imply costs since both could use multiple platforms.

The spatial fix implies that the main service of food delivery platforms cannot be successively relocated if challenged by collective resistance.[10] If competitive pressures are too high, their operation comes under pressure due to regulatory changes, or both, then platforms tend to discontinue their activities, or at least threaten to do so, in given localities. Notable examples of the 'collective logout' of couriers are Deliveroo exiting the German market in 2019; Foodora's departure from various countries, like Australia and the Netherlands in 2018 and Canada in 2020 (Lee 2021); and Deliveroo's announcement that it would pull out of Spain as a response to the Rider Law of 2021. For maximising profits and labour control, platforms could also reduce the four-sided relationship to a three-sided or even a bilateral one by ceasing operations with couriers, restaurants, or both. Thus, they could opt for a strategy of labour-saving automation via last-mile self-driving delivery vehicles, although this technological fix seems currently still to be in its infancy (Bandoim 2020). Some platforms are also trying to gain greater control over production through 'ghost restaurants'. Such businesses are ideally set-up in inexpensive areas for delivery or only in certain high-demand urban locations – the prepared food still needs to be delivered, of course. The delivery process, waiting for the order and the actual delivery of the food, is precisely the moment when labour agency kicks in as couriers are also active spatial agents.

The spatial fix of food delivery platforms offers opportunities for resistance by couriers, either individually or collectively. Although the platforms define and readjust places for delivery and order waiting in a way that is largely non-transparent for couriers, this spatial control is never complete (Heiland 2021a). As delivery is more spatially dispersed, *delivery areas* are vulnerable to *individual resistance*, while denser *waiting areas* are fertile soil for *collective resistance*. Thus, everyday acts of individual resistance can undermine the platforms' spatial control of delivery areas. By using loopholes within algorithmic management, couriers can make a mockery of it by installing false GPS apps so that they have more agility to accept orders (Barratt *et al*. 2020; Galière 2020; Heiland 2021a). Such acts of manipulation or subversion should be 'theorise[d] [as] fissures in algorithmic power as products of collective, rather than individual, sensemaking' (Ferrari and Graham 2021: 824), however. Furthermore, unlike traditional workplaces, waiting areas near clusters of restaurants can act as meeting points where managerial supervision is absent. Easily visible couriers can briefly but regularly interact with each other, shifting aside their physical and social isolation (Cant 2020; Chesta *et al*. 2019). Offline encounters for exchanging experiences and complaints in shared urban spaces are complemented with digital, online communities enabling couriers to overcome in a virtual manner their spatial dispersion.

Both offline waiting areas and online communities act as 'free spaces' (Tassinari and Maccarrone 2020: 45): they facilitate social identification processes which enable the shaping of shared identities (along ethnic lines or otherwise, see Timko and van Melik 2021). Mobilisation theory and the power resource approach help to understand why mobilisation and the disruption of the delivery process cannot then be excluded.

5. Forging and expressing collective resistance

In various cities, irrespective of the specific employment model, similar mobilisation processes have been identified unleashing potential capacity for key activists in a sequential process of framing (Jesnes *et al.* 2021). To optimise the labour process, some food delivery platforms initially created a hierarchical division between couriers by appointing more experienced ones to pass on and explain information to (new) couriers via social networking sites. This practice unintentionally encouraged some couriers to take on a leadership role, but it was abandoned when platforms turned to communication channels giving them greater control (Vandaele 2020). Nonetheless, some couriers were organised in autonomous online communities almost from the start. These might initially have had no particular focus on socio-economic grievances but rather a sharing of the enjoyment of cycling and its lifestyle as such. Yet communities turned into discussing work-related issues and mutual aid, while also new ones were set up for interacting with each other due to ever-changing algorithms and high labour market turnover (Heiland and Schaupp 2021). They could be considered as pre-existing networks for the shaping of occupational identity and building solidarities. Moreover, while multi-apping can be seen as an entrepreneurial approach towards the delivery job, switching from one platform to another also offers possibilities to build solidarity between couriers on different platforms (Popan 2021).

Online communities facilitated a sharing of the insights of couriers with greater experience in delivery and undergoing a deterioration in employment terms and conditions. In this sense, algorithmic management is probably less of a 'black box' for experienced couriers than one would think (for example, see van Doorn 2020). Furthermore, unilateral modifications of the algorithm, its lack of data transparency, and the negative consequences for wages, especially gamified performance-based earnings, and for the terms and conditions of employment are ready sources of frustration. Shifts in employment status have equally sponsored collective action, and provoked by behavioural nudging and gamification, road accidents among couriers have been a reason to act as well (see Gregory 2021). The COVID-19 pandemic has further exposed occupational health and safety risks and the lack of social protection. While self-organised, network-based online and offline communities have fostered group identification despite labour market segmentation (Tassinari and Maccarrone 2020), activist-couriers have been able to attribute issues connected with 'algorithmic injustice' to human management within food delivery platforms (Jesnes *et al.* 2021).

Being attached to transportation, couriers supposedly possess some noteworthy 'workplace bargaining power' compared to most other types of platform work (Vandaele 2021). They hold a strategic position in the supply chain: food ordered via platforms in real time simply cannot be delivered from (ghost) restaurants to customers at the arranged time without couriers. Although this must be offset against rather weak marketplace bargaining power, their 'spatial proximity and temporal synchronicity' (Woodcock and Graham 2020: 51) allow couriers to exert some disruptive capacity. Thus, in a next step, activist-couriers have defended well-timed collective action as an effective means of mitigating or undoing that injustice when the occasion arises during, for instance, high-demand hours (Jesnes *et al.* 2021). Hence, industrial action is of short duration. The first-ever 'switch-off strike' in app-based food delivery was initiated by

couriers in London in summer 2016 (Cant 2020). Couriers as 'algorithm breakers' then also targeted other food delivery platforms in the United Kingdom and, later on, across several cities transnationally on the European continent (Trappmann *et al.* 2020).[11] Industrial action has made connections between couriers and low-paid hospitality workers in the conventional economy through the 2018 fast-food shutdown in the UK (Cant and Woodcock 2020). Similarly, in Barcelona (Spain), food delivery couriers joined forces with couriers delivering groceries in 2021 to mount industrial action for higher wages and better working conditions (Gig Economy Project 2021a).

Struggles continue today, and while they are predominantly ephemeral and urban-based, there are exceptions: the national, comprehensive day of strikes in several Italian cities in early 2021 demonstrates how associations of couriers are upscaling their efforts (Foti 2021). Direct action by couriers has also been reported outside Europe, such as Argentina (Perelman *et al.* 2020) and Latin America in general (Trappmann *et al.* 2020) and including, since the COVID-19 pandemic, countries like Brazil (Strecker *et al.* 2021), Canada (Gebert 2021), China (in a more concealed way) (Chan 2021; Liu and Friedman 2021; Linchuan Qiu *et al.* 2021), Russia (Rymkevich and Brown 2021), and post-Soviet states like Georgia, Kazakhstan, and Ukraine (Mazorenko 2021), as well as coordinated strikes within Instacart and DoorDash in the United States (Ovetz 2021). Being adapted to the hospitality industry and urban setting, and incorporating the digital context, the action repertoire of couriers is wide. It includes boycotts through blocking deliveries; occupations and sit-ins at head offices; petitions; 'shitstorms'; strike actions, which often go together with street protests and bike parades and add to the urban visibility of couriers in the public space; and attempts to target political authorities and public opinion and to involve restaurants and consumers in protests (Cant 2020; Chesta *et al.* 2019; Heiland and Schaupp 2021; Jesnes *et al.* 2021; Tassinari and Maccarrone 2020; Vandaele 2020). The latter is illustrated by consumers in Greece deleting the app of the largest food delivery platform in support of couriers' actions against a change in their employment status in 2021 (Gig Econ Project 2021b).

6. A patchwork of collective representation and discursive power

Bottom-up self-organising, resulting in informal, network-like associations, often going together with mutualism (like bike repair), predominantly typifies the collective representation of couriers (Joyce and Stuart 2021). Trade unions have initially been largely absent from app-based food delivery given its relative newness and the dubious legal employment status, which goes along with it, although less so in the Global North (Trappmann *et al.* 2020; see also Umer 2021). Organising and collective representation has evolved from its initial organisational outlook in Western Europe, and today, distinctive models in the relationship between courier associations and unions do exist. This has resulted in a fragmented landscape of collective representation based on either 'organic' or 'mechanistic' approaches to solidarity building (Simms and Adam 2021). Courier union relationships and the selection of specific unions for coalition-building seem to be contingent on the subjective understanding of the self-(occupational) identity of couriers, the ideological leanings of key couriers and their attitudes towards organised labour, and the actual presence of specific union types like grassroots unions (Jesnes *et al.* 2021; Vandaele 2021). The latter are mobilising and organising couriers in Berlin (Germany) and the UK in particular. Self-organising *initially* seemed to prevail in countries like France, Italy, and Spain, although a rapprochement between urban-based courier associations and mainstream trade unions has emerged (Arasanz and Sanz 2021). Whereas a logic-of-membership goes together with associations and grassroots unions and a logic-of-influence prevails within

mainstream unions, with discourses about possible solidarities with other groups of workers differing between them, their practices of collective representation do show similarities (Borghi *et al.* 2021). Most have been (in)directly involved both in organising couriers and in taking direct action, as well as in challenging employment status via test cases (Joyce and Stuart 2021). For associations and grassroots unions alike, addressing regulatory arbitrage could reduce employment instability so that couriers' marketplace bargaining power is strengthened and organising efforts pay off.

Beyond national level, activist-couriers have also become part of transnational, informal networks for sharing tactics and strategies, coordinating collective resistance, and identifying common demands. The Transnational Federation of Couriers (henceforth referred to as the Federation) can primarily be considered the formalised outcome of such networks. Individual courier associations, some of them backed by mainstream unions, and grassroots unions from 12 European countries set up the Federation in Brussels in 2018, and associations from Latin America have also since participated in it. In contrast to traditional labour internationalism, the Federation has no elected leadership nor staff due to 'a combination of necessity and political desire' (Cant and Mogno 2020: 407). Equally, a global network labelled Unidos World Action, with roots in Latin America, was established in 2020 to bring together app-based couriers and drivers (Marinaro 2020). Furthermore, the European Transport Workers' Federation has published a manifesto on 'fair platform work'[12] while the International Transport Workers' Federation has launched a global '#Rights4Riders network'[13] consisting mainly of mainstream unions from the Global North but also some courier associations; both initiatives coincided with the stock market flotation of Deliveroo in early 2021.[14]

More inclusive coalition-building is prominent in Germanic and Nordic Europe, with associations staying autonomous except in the Netherlands where the Riders Union has been integrated into union structures (Vandaele 2020). Given the differences in organisational morphology between rather informal, bottom-up associations and mainstream unions, it is at first sight not self-evident why they would try to join forces. Unions can support associations with financial resources and infrastructure, however, while their institutional embeddedness within national structures of collective bargaining and social dialogue can compensate for the weak institutional power of platform workers. Mainstream unions can thus provide leverage with the platforms and in the regulatory and political field. Simultaneously, the novelty of app-based food delivery might well serve as a laboratory for unions to develop skills for dealing with algorithmic management and data protection and to experiment with new or creative mobilising tactics and digital organising tools. Also, app-based food delivery is an important industry (ILO 2021) so that possible union achievements might set an example for other industries in the platform economy and prevent a further 'gigification' of work practices in food and hospitality in the conventional economy.

As couriers are predominantly youthful, and the delivery job might be their first experience on the labour market, engaging with them is import for mainstream unions. It might strengthen their 'representative claims' (Simms and Adam 2021) and public image, especially given the visibility of app-based food delivery and the discursive power of couriers. Although their unionisation is low, and it may only be the hard core which engages in direct action, couriers' power mainly lays with the 'reputational damage' (Wood 2015) they can cause by acting against food delivery platforms which are, at the same time, casting an attentive eye on their public image. This power is not universal, however: immigrant courier cyclists in New York City are 'present as the story subject yet absent in having voices', which 'creates a narrative vacuum that is filled by privileged white customers and residents who colonize the public narrative' (Lee 2018: 47). Nevertheless, while material gains for couriers seem limited so far, their sometimes high-profile

struggles are shifting platforms into existing or dedicated institutional-regulatory arrangements and practices – at least in Western Europe.

7. Outcomes: emerging regulatory embeddedness and the pursuit of alternatives

Most food delivery platform companies are reluctant to engage with independent associations of couriers or trade unions, seeing themselves as mere 'neutral' intermediaries or technological companies.[15] A duck test of their actual behaviour tells otherwise. Union-avoidance tactics among platforms are common: accusing protesting couriers of representing only a small minority; advocating self-regulation and setting up their own channels for social dialogue; establishing their own courier associations acting on behalf of the platforms, such as in Spain (Arasanz and Sanz 2021); concluding an agreement in 2020 in Italy with Unione Generale del Lavoro, a trade union whose representativity was highly doubtful, which was later nullified by the Ministry of Labor; refusing to engage in collective bargaining and social dialogue; or participating in weaker forms of worker representation like Delivery Hero, which established a Societas Europaea Works Council in 2018. Even so, platforms actively lobby political authorities, and some have set up their own lobby organisations like AssoDelivery in 2020 in Italy and the European Purpose project and Delivery Platforms Europe at European level in 2021.

Breakthroughs and progress in the regulatory embeddedness of food delivery platforms only confirms their role as genuine employers, however. Attempts to regulate them are diverse across Western Europe. They include institutionalised worker representation; codes of conduct like the Charter of fundamental digital workers' rights within an urban setting of 2018 in Bologna (Italy); collective bargaining agreements at company or industrial level; court decisions due to strategic litigation actions; and rulemaking. In terms of worker representation, work councils have been set up in Austria and Germany since 2017 and 2018, respectively, although Lieferando has tried to ignore them and to block the establishment of new councils in Germany; still, work councils, in combination with a petition, have been instrumental in providing couriers with protective equipment since the start of the COVID-19 pandemic (Schreyer 2021). Also, following a series of fatal accidents, Deliveroo couriers have elected their own health and safety representatives in Australia's Sydney in late 2020 (Marin-Guzman 2021).

Collective bargaining agreements in the platform economy in Western Europe have been mostly concluded in the food delivery sector (Kilhoffer *et al*. 2020: 119). There are two flaws regarding their coverage, however. First, some collective agreements are limited in their geographical scale, or they apply only to the platform company concerned, not the industry, which is at odds with the dominant level of bargaining in countries like Norway or Sweden. The agreement concluded by the United Federation of Danish Workers (3F, Fagligt Fælles Forbund) is an exception, being a national agreement at industry level, although in practice only one platform company so far is adhering to the agreement with others refusing to do so. Second, only those couriers within a genuine employment relationship are covered by collective agreements in hospitality; 'independent contractors' remain outside their scope. The latter can be addressed in two ways: either by litigation actions reimposing employee status or by tackling employment status via rulemaking. Whereas contradictions between jurisdictions cannot be excluded, and jurisprudence sometimes only applies to individual cases, it is beyond this chapter's aim to provide an exegesis of recent opinions and decisions by regulatory authorities and labour courts. Yet recently, things seem to be moving in the same unambivalent direction, classifying couriers within an employment relationship in Western Europe (except in Belgium and the UK) (Hießl 2021). Also, the Fair Work Commission in Australia judged in May 2021 that a former

Deliveroo courier was an employee and not an 'independent contractor'.[16] Beyond employment status, a ruling in December 2020 of the court of Bologna (Italy) considered the algorithmic management of Deliveroo as discriminatory since the allocation of orders was restricted in cases of past absence (for care or health reasons, or because of taking industrial action).[17] Similarly, in July 2021, Foodinho, owned by Glovo, was fined by Italy's data protection watchdog for breaches of labour and privacy laws on the grounds that its algorithmic use of data was potentially discriminatory.[18]

Attempts to reimpose employment status and apply existing regulation to platforms are only effective where platforms comply, however. Currently this willingness seems rather lacking, especially as administrative or political authorities are largely refraining from encouraging platforms to do so. However, an ordinance is in the making aiming at installing union representation for self-employed workers and developing collective bargaining at industry level in the platform economy in France.[19] As a result of a tripartite agreement, the Rider Law in Spain introduces the rebuttable legal presumption that couriers are in an employment relationship, and it guarantees union representation while demanding greater transparency from food delivery platforms regarding the impact of algorithmic management on terms and conditions of employment (Araszanz and Sanz 2021). At the time of this writing, at European level, the European Commission launched a two-phase consultation with the 'social partners' in early 2021 to improve the working conditions of platform workers, which might lead to a directive regarding the minimum individual and collective labour rights of platform workers. Also, beyond Europe, a (sub-optimal) 'intermittent' status for platform workers is being considered in Brazil while guidelines issued in 2021 by China's market regulator aim to protect couriers better (Reuters 2021).

Whereas the involvement of labour market intermediaries in app-based food delivery, such as the short-lived Smart arrangement for couriers in Belgium (Charles *et al.* 2020), largely legitimises the regulatory arbitrage of platforms, more bottom-up approaches do have the potential to put pressure on work organisation in food delivery platforms and on their very business model. For instance, initiatives to certify or even proactively co-design software with relevant stakeholders might allow for better working conditions and overcome the information and power asymmetries in the industry (Larner and Walldius 2019). Also, food delivery in urban contexts seem to lend itself ideally to crowdfunded initiatives to establish platform cooperatives since such campaigns can transcend information asymmetries and the problem of the mutual lack of trust between funders (Talonen *et al.* 2021). In particular, the French organisation CoopCycle is promoting an open-source model of democratic ownership and governance for locally embedded, platform-based delivery.[20] The retreat of profit-driven platforms has reimagined value-driven platform co-ops in countries like Canada (Hayes 2021), and (food) delivery platform co-ops are active in several European countries (Vandaele 2021). So far, however, most courier-led platform co-ops are active in niche product markets, appealing to consumers that are morally inclined to pay more for better working conditions or who attach substantial importance to environmentally friendly production or distribution (Smith *et al.* 2021). Competing with venture capital-infused, extractive food delivery platforms that operate internationally would necessitate some requirements such as financial investment, regulatory-enabling frameworks at local or higher policy levels, and adequate scalability and price-setting. Finally, in so far as app-based food delivery has become a vital infrastructure for everyday life in the urban context, like in Beijing, it is argued that such 'platform urbanism' ought to be a public service based on values like open access for all, sustainability, and (data) transparency (Linchuan Qiu *et al.* 2021; see also Cant 2020).

8. Conclusion

App-based food delivery is the most visible type of platform work, but it is doubtful that its current work organisation and business model based on lean platformism (Srnicek 2017) will last. Whether any (international) food delivery platform has made any significant return on investment so far is equally uncertain, and most platforms seem currently to be in a state of passive dependency on venture capital. Nevertheless, it is speculated that financialisation through the valorisation of the data-derived assets owned by the platforms looks a more promising avenue (Badger and van Doorn 2020). Yet as app-based food delivery is turning into a more mature market, the expectations of investors are changing from solely focusing on rapid growth to a 'growing concern with financial sustainability and a prospect, if not proof, of profitability' (van Doorn and Chen 2021: 18–19). The flotation of Deliveroo in early 2021, being the 'worst IPO in London's history' (*Financial Times*, 31 March 2021), has demonstrated this: investors have doubts about future market expansion in food delivery, especially when lockdowns are lifted, while regulatory embeddedness has also been seen as an explanation for Deliveroo's weak stock market debut.[21]

This cannot be separated from the empowerment of a *critical mass* of couriers, despite them being part of a highly transient workforce and the atomised nature of the delivery job, which current struggles have created. They form the backbone of self-organised, network-based online communities and offline associations, which have generated admittedly uneven organising attempts and location-specific configurations of collective representation. As the algorithmic management of the platforms needs to adapt to the location-specific dynamics of labour supply (Heiland 2021b), this place-based nature partially explains the unevenness in collective resistance between localities. Apart from differences in the 'entrepreneurial mindset' among couriers, their insertion into the labour market and migrant status, the capacity of trade unions and regulatory (in)action in the field of employment relations have also been identified as explaining the lack of collective resistance (Barratt *et al*. 2020). This points to a variety in organisational demand and supply in the support of couriers, as well as differences in the overarching institutional-regulatory context, all of which cautions against an overgeneralisation about their agency.

Still, couriers' individual and collective resistance and struggles are debunking the Orwellian 'entrepreneurial framing' of food delivery platforms, they are questioning regulatory arbitrage and openly opposing the consequences for employment terms and conditions of algorithmic management. While courier unionisation might be achieved later, in particular for strengthening representative claims, together with litigation actions, the disruptive capacity of a critical mass looks now more urgent in respect of laying the foundations for a more stable and regulated labour market. All of this should not be interpreted as an unstoppable march towards regulatory embeddedness: the dynamics will ultimately be largely contingent on legal enactments by states, in liberal democracies or other political regimes, and compliance with these. Also, further enhancements in couriers' struggles might be achieved via strengthening connections with workers in the support facilities of food delivery platforms and with workers designing algorithmic management. At the same time, as app-based food delivery is a novel, highly competitive and volatile industry, the benchmark for dynamics and outcomes within representative systems for workers and the regulatory field should perhaps not be established industries today but equally new industries in the past. It is clear, however, that there is a crack in the delivery labour process of food delivery platforms, and that is how labour agency and regulation might find their way in.

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Notes

1 This chapter focuses on the delivery of food, although platform companies have gradually been including grocery besides food or packages among their delivery services, especially since the COVID-19 pandemic.
2 Together with its accessibility for ethnographic research, this attractiveness might explain why food delivery is a quite well-researched industry within the platform economy, although less so in the United States so far.
3 Regarding research design, single urban-based case studies seem dominant. They often make use of ethnographic methods such as participating observation and observing participation; quantitative research seems hitherto less common.
4 Investors might be added here, but their investment decisions cannot be abstracted from the three actors listed.
5 Some workers are directly hired by platforms in essential functional roles, but they are omitted from the analysis here.
6 A replacement of bikes by couriers on mopeds and motorcycles refutes the 'green parlance' of some platforms.
7 Findings are based on the case studies listed in the references.
8 Future dynamics, such as a feminisation of the workforce, cannot be excluded.
9 Platforms might also build long-term relationships with restaurant chains, although this provides the latter with negotiation power.
10 Geographical mobility might apply to support facilities for couriers or customers, such as helpdesks, however.
11 Rules on industrial action often do not apply where couriers have 'independent contractor' status, so this employment classification cannot constrain their collective action.
12 See www.etf-europe.org/wp-content/uploads/2021/03/ETF-Manifesto-for-Fair-Platform-Work.pdf.
13 See www.rights4riders.org.
14 The ITF also set up project funding for two full-time London-based organisers in 2019.
15 Rooted in the conventional economy, the Dutch platform Just Eat Takeaway seems to be an exception in the sense of recently being more indulgent of couriers' demands (except in Israel).
16 See www.fwc.gov.au/documents/decisionssigned/html/2021fwc2818.htm.
17 See www.dirittielavoro.it/wp-content/uploads/ordinanza-Bologna.pdf.
18 See www.garanteprivacy.it/web/guest/home/docweb/-/docweb-display/docweb/9675440.
19 See www.fwc.gov.au/documents/decisionssigned/html/2021fwc2818.htm.
20 See https://coopcycle.org/en/.
21 Further explanations refer to Deliveroo's ownership structure, the timing of the initial public offering and its pricing.

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15

NEW LABOUR FORMATIONS, PRECARIOUS WORKERS, AND THE GIG ECONOMY

Lessons from British indie unions

Davide Però

1. Introduction

> At the end of the day it all comes down to power. How much do they have and how much do we have? And the more power that we have the more we get of what we want. Some of that will be through legal, some will be through press, some will be through just campaigns like protests and videos and that type of thing. Every situation is slightly different but the main thing is that in any situation or campaign or case or whatnot we need to be able to put ourselves strategically in a position of power vis a vis the employer
>
> (Alex, organizer IWGB)

One manifestation of globalization in the North has been the rise in the precarization of employment, a process that makes the conditions of workers there increasingly similar to those traditionally characterizing the South (Munck 2013; Nowak 2021; Bieler and Nowak 2021; Atzeni and Ness 2018; Anderson 2010; Kofman 2015). Finding limited representation in established unions concerned primarily with standard workers (Ness 2014; Martínez Lucio and Perret 2009; Standing 2011; Holgate 2021), precarious workers are turning to self-organization sometimes resulting in new labour formations. Although understudied, some of these new formations have been quite effective in obtaining important concessions from employers, including for example the living wage, sick and holiday pay and the end of subcontracting and bogus self-employment. In this respect, a key question of analytical and praxiological relevance concerns how is it possible for highly precarious workers – e.g. outsourced migrant cleaners – to negotiate concessions when lacking institutional support and material resources?

This chapter argues that in order to develop sufficient weight to gain concessions from employers (and often a sense of empowerment), these workers need strategies to cumulate power drawing on a variety of sources. These sources have been outlined in a comprehensive typology by Schmalz et al. (2018; see also Juravich 2018; and Rhomberg and Lopez 2021) in their *power resources approach*. This is a typology that here I use as a heuristic device to present a case study with the intent of making theoretical inferences and facilitating future comparisons

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with precarious workers' collective initiatives elsewhere.[1] The case study used to discuss the precarious workers' initiatives and their effectiveness is that of British *indie unions* – recently founded independent grassroots formations co-led by precarious migrant workers – which is presented drawing on the emerging body of literature examining them, including my own.

This chapter is structured as follows. The first section introduces the significance of studying power-building and organizing among precarious workers, a question which has been overlooked in the literature. Drawing on Schmalz et al. (2018), this section also outlines the typology of workers powers used in the reminder of the chapter to analyse the case study of *indie unions*, labour formations which have proven quite effective at negotiating precarious workers' rights in Britain. In particular, the case study comprises an overview of these unions and a discussion of their negotiating power, in terms of structural, associational, institutional, coalitional and discursive power. The conclusive section outlines the importance for labour formations representing precarious workers to combine synergistically such powers to enhance the effectiveness at negotiating the rights of their constituencies. It also outlines the potential of Schmalz et al. (2018)'s typology of powers for developing stronger comparative analysis of precarious workers' initiatives around the world, provided its heuristic nature is recognized and the local context is adequately considered.

2. Studying power-building among precarious workers

Despite the rise in the number of precarious and migrant workers and their initiatives, social research on their collective contentious practices has been limited. Reasons for this analytical neglect include the decreased preoccupation with issues of class and class politics that has characterised sociological disciplines in the last decades (see Devine et al. 2005; Russo and Linkon 2005; Fraser 2005; Strangleman 2008; Van Hear 2014; Però 2014). Another, concerns what Atzeni (2021) has called 'trade union fetishism', that is the tendency of industrial relations research to adopt in their analysis the perspective of large established unions (see also Sullivan 2010; Alberti and Però 2018; Ness 2014; Choudry 2016; Nowak 2021), that is the perspective of organizations that are centred around 'standard' workers and have not adequately managed to represent and organize precarious and migrant workers.[2] Only recently has labour research began to focus on the collective agency of precarious workers, examining the organizing experiences in which they had centre stage. Among these, for example, we find López-Andreu's 2020 discussion of how the 'spontaneous' mobilizations and strikes of Spanish telecommunication workers can facilitate the development of contentious identities and solidarity in fragmented employment systems characterised by diverse occupational and contractual status and lack of union representation. We also find the comparative discussion of the experiences of precarious transport workers in Tanzania and Argentina, through which which Rizzo and Atzeni (2020) highlighted how disruptive bottom-up initiatives in the streets can make up for their lack of structural power and official union representation. Chun (2009) timely examined struggles publicly staged in the streets of South Korea and the United States by outsourced workers and allied organizations, highlighting the importance of symbolically exposing the exploitative employment practices that reputable employers would prefer to keep out of public sight.[3]

One of these collective initiatives centred around precarious workers, that of indie unions, constitutes the case study underpinning this chapter. Given the lack of material resources and institutional support and the presence of obstacles (such as a hostile legal environment, linguistic barriers and racism) that often characterise the conditions of precarious workers, a question of particular importance concerns how they can build enough power to negotiate effectively with their economically much more resourceful counterparts.

In order to address this question, we need to gain a sense of the sources of power that precarious workers can tap into and/or develop, combine and cumulate in order to enhance their chances of ultimately inducing change in employers' organizations and improve their conditions. Schmalz et al. (2018) have developed a useful typology of the main sources of power that workers can draw upon in pursuing the improvement of their working conditions, a typology that this paper uses as a heuristic device to organize the discussion of how precarious workers can build their negotiating power and effectiveness.[4] This typology identifies the following four main types of power. *Structural power* refers to the power deriving from the position that workers occupy in the productive process and the possibility this position offers to disrupt such process. *Associational power* refers to the possibility for workers to associate and act collectively. *Institutional power* stems from workers' ability to use (legal and political) institutions in asserting their demands. *Societal power* refers to workers' ability to obtain public support through (1) the development of alliances with other civic and community organizations and groups (*coalitional power*) and/or (2) the appeal to sectors of the general public via communicative and symbolic practices that resonate with mainstream ideas of fairness and justice (*discursive power*).

Having outlined the main forms of power that workers can draw upon, develop and/or combine in the attempt to negotiate better employment conditions, I now turn to the indie unions case study for an in-depth examination of one instance of effective power-building process among precarious workers and for making theoretical inferences that are of value to wider debates on the mobilization of precarious workers.

3. Indie unions: a short introduction

Indie unions are legally registered grassroots unions that started to form in London in 2012 to represent migrant workers in conditions of *high precarity*, such as the outsourced cleaners of the University of London.[5] Their formation is connected to the inadequate representation that these workers, despite their harsh working conditions, had found in mainstream unions (Moyer-Lee and Lopez 2017; Però 2020; Alberti and Però 2018; Alberti 2016). Together, IWGB (Independent Workers of Great Britain), UVW (United Voices of the World) and CAIWU (Cleaners and Allied Independent Workers Unions) represent well over 6,000 workers, the majority of whom are cleaners, porters, security guards, riders, drivers, sex workers, game workers and foster carers from about 70 different national backgrounds – including a growing number of British ethnic minority and majority precarious workers.[6] Largely based in London, indie unions have recently begun to represent workers in other areas such as Scotland and the Midlands.

Being almost exclusively funded by their members, indie unions have very limited material resources and infrastructures. Despite their 'shoestring budget' as one of their leaders put in an interview, the nature of such funding means that they are independent and – unlike publicly funded charities and community organizations – can afford to be 'political'. This independence has meant that they have been able to deploy a repertoire of collective action that has been remarkable for visibility, creativity and impact. Indie unions have in fact been involved in a long string of successful initiatives with hundreds of employers, including high-profile ones such as Sotheby's, Harrods, the Barbican Centre, the London School of Economics, the Ministry of Justice, the *Daily Mail* among others (see Acciari and Però 2017; Moyer-Lee and Lopez 2017; Shalmy 2018; Alberti 2016). At the LSE for instance the outsourced cleaners of UVW lead by a group of Jamaican women, obtained significant improvements in their sick pay, annual leave, parental leave and pension contribution, but most noticeably they managed to be reinstated as in-house staff after decades-long outsourcing of its cleaning services (see Acciari and Però 2017). Sometimes, as in the case of UVW at the *Daily Mail*, workers 'don't even have to take to

the streets to win a campaign – the threat of direct action can be enough to convince employers to immediately meet [their] demands' (Shalmy 2018:20).

As pointed out elsewhere (Alberti and Però 2018; Alberti 2016; Moyer-Lee and Lopez 2017), the overall relationship with the established unions – especially at the beginning – has not been very collaborative (Hughes and Campanile 2018; Petrini 2019; Acciari and Però 2017).[7] Indeed, indie unions came into being for the impossibility felt by many outsourced migrant workers to find adequate space and representation in mainstream unions. While it is important to remember this point, it must be highlighted that with time the contacts between indie unions and established ones seem to have improved a little, especially with those organizers who have found indie unions initiatives inspirational (see also Smith 2021). In addition, the fact that indie unions have revealed to be neither the ephemeral phenomenon nor the latest incarnation of a doctrinaire anarcho-syndicalist formation that many mainstream labour activists had initially considered them to be, has encouraged a growing recognition and respect of indie unions in the British labour movement. Indeed, for some, indie unions constitute a source of inspiration and/or a valuable partner in specific disputes – see for example, the collaboration between UVW and the PCS at the ministry of justice (Bowcott 2019).

4. The building and blending of powers in indie unions

In what follows I examine the specific ways in which the various forms of power take shape and combine in indie unions' actions resulting in greater negotiating power. This is carried out drawing on the existing literature, including my own.[8]

4.1 Structural power

By virtue of their position in the productive system/economy, some precarious and migrant workers have more potential to disrupt or stop production than others. Sometimes, as in the case of the subcontracted workers of the Italian logistic sector affiliated to the grassroots union SICobas (Cioce 2021), precarious workers are able to take advantage of such power. For the most part, however, low-wage precarious workers lack significant structural power (Rhomberg and Lopez 2021). With some variations across employment sectors, this lack broadly characterises also the workers of indie unions, such as the outsourced migrant cleaners who make up the majority of their membership. In fact, because of subcontracting, a limited numerical presence and density in the workplace, or because their workplace is fragmented (e.g. for riders and drivers), the position that highly precarious workers occupy in the economic system does not offer them much room for halting production when compared to that of the standard workers of manufacturing plants or to the workers of logistics choke points.[9]

One of the exceptions to this situation is the controversy at the Orion recycling plant in East London, where a wildcat strike of UVW Latino workers over unsafe and exploitative working conditions prompted concessions from management (UVW 2018; Cant 2018). There, a group of Peruvian workers recycled waste from construction sites: from the conveyor belt they picked out plastic, wood, iron, aluminium and glass (see Cant 2018). Working conditions were characterised by a thick fog of dust from the waste, a deafening noise, a lack of personal protection (full-face ventilator masks and gloves), showers, uniforms and even toilet paper. These conditions were seen as causing or exacerbating the workers' health conditions (e.g. respiratory problems among others) together with 10-hour shifts at a very intense rhythm. In addition, the workers reported being constantly abused by the site management, including on the day they confronted them. On that day they walked out, and 'within minutes the conveyor belt had stopped, the plant

was closed, and the boss was out in the yard, negotiating' (Cant 2018). However, the exceptionality of the Orion plant in which production can be stopped so drastically means that in most circumstances the remarkable achievements of indie unions workers do not centre on structural power but on other types of power and their cumulative combination, as I show below.

4.2 Associational power

Associational power refers to the power that arises from the association of workers who organize in order to represent better their interests (Schmalz et al. 2018; Wright 2000). It is the form of power that appears to be regarded as the most important one in the literature, not least because it can somehow compensate for the structural power that workers often lack (e.g. López-Andreu 2020; Rizzo and Atzeni 2020; Cioce 2021; Però 2020; Alberti and Però 2018; Alberti 2016; Tassinari and Maccarrone 2020; Englert et al. 2020 among others). To some authors associational power is considered of special importance not only for the possibilities of workplace mobilizations it can produce but also for the instrumental role it can play in the activation of the other forms of powers (Rhomberg and Lopez 2021). Once workers associate in contentious collectives, in fact, they are more likely not only to undertake industrial action but also to engage in legal, coalitional and/or symbolic initiatives.

In practice, associational power can take different forms and manifestations in different contexts. Accordingly, it becomes crucial to examine the distinctive connotations it assumes in each specific setting. In Però (2020), I have suggested that for the *highly precarious* migrant workers of indie unions (such as the outsourced cleaners), associational power has often taken the form of *communities of struggle*. These are safe and participatory spaces where precarious workers experiencing multiple forms of oppression are able not only to receive and offer support to each other but also to generate a collective contentious identity, plan and conduct industrial initiatives – a process that normally delivers both material as well as non-material rewards (including the acquisition of greater confidence, self-esteem and sense of empowerment on the part of workers) (Però 2020; Però and Downey 2022).

The creation of such spaces has been important to provide workers with horizontal, trustworthy and embedding networks that facilitate non only the coping with their disadvantaged circumstances but also the active redressing of such circumstances. It is a site where collective combative identities form and manifest in collective actions. Importantly, these 'spaces' have a significant de-territorialized component. Because workplaces are fragmented, and/or characterised by subcontracting, limited workers density, high ethno-cultural diversity as well as because migrant workers live scattered across the city territory and are not part of territorial communities (let alone the same ones), communities of struggles had to develop their underpinning social bonds through a variety of events, ranging from protests to *fiestas* and bbqs, from strikes to football games, and from workers' rights and organizing trainings to English and yoga classes. An important feature of such bonds concerned their 'quality'. These were strong and very meaningful bonds forged and sustained over time through interpersonal exchanges where people got to know, trust, value and invest in each other. For some, this active involvement in communities of struggle follows the quality and rapidity of the support received on their individual grievances that thus acts as pull factor facilitating collective engagement (see Però 2020).

In addition, it is not difficult for precarious migrant workers to realise indie unions' sensitivity to and concern with their conditions, their positive and bold outlook towards collective action, their participatory nature, their rapidity of (individual and collective) action.[10] It is also easy to recognise the opportunities that participating makes available in terms of non-material rewards, including formation, personal growth, empowerment and social embeddedness.

Somewhat different from the situation just described that largely concerns migrant cleaners, porters, and security guards of indie unions is that of delivery cyclists and moped riders. Having a dispersed workplace and working through a platform and an app, at first glance cyclist and riders would seem to lack adequate aggregative opportunities in the workplace for developing associational power and communities of struggles. Nonetheless, as emerging research shows (e.g. Cant 2020), these workers have found ways to break their initial quiescence and articulate effective collective action. While these workers did not found indie unions, they were fast to recognise the relevance of their approach and take advantage of the opportunity to turn their embryonic informal groups into self-organized branches of the IWGB.

In interviews I conducted with some of the leaders of the London riders from IWGB, it emerged that their early organizing steps were made harder by the lack of a shared workplace in which to build rapport and organize. In particular, in a 2017 interview with Sam[11] they told me of how a friend of them heard that a fellow rider called Chris apparently was unhappy with their working conditions and was collecting signatures possibly to organize some protest and/or unionize riders – an idea that they themselves had had brewing in their heads for sometimes. One day of December 2014 shortly afterwards, unexpectedly, Sam recognised Chris while they were cycling past each other and decided to stop them. From that casual meeting in the street, I was told, the organization of the London riders pretty much started to take off. In January 2015 they had an initial meeting with IWGB who knew hardly anything about riders but had already won significant concessions for the outsourced migrant cleaners at the University of London and were very willing to start unionizing the greenfield of the courier industry.

> If they [IWGB] can organise Latin American cleaners who hardly speak any English, who may not necessarily be legal here . . . and the precarity of their situation is so extreme and they can win such huge results [e.g. 3 Cosas], then we could try something with the couriers
>
> (Sam IWGB 2017)

Callum Cant (2020) narrates of similar informal encounters taking place in the subsequent year in Brighton, between increasingly discontented riders hanging around in one of the city squares awaiting for a call from the platform/app, and of how the Brighton riders would soon turn to the above London organizers to help organize their first strike as well as their own Brighton branch of the IWGB.

4.3 Institutional power

Institutional power refers to the ability to draw on legal and political institutions to make or enforce laws and policies that accommodate the demands of the workers and their organizations. On the whole, it is more the legal (rather than the political) the form of institutional power which has been mostly used by indie unions (especially IWGB) to bring about improvements in the working conditions of precarious workers. The most remarkable instances in this respect, have been the legal challenges that have sought to change the employment status of precarious gig workers. These entailed request of legal re-classifications of relevance to tens of thousands of workers.

The case of Uber drivers in the UK is illustrative of a wider range of legal challenges made or supported by IWGB to platform companies using precarious couriers, drivers, and/or riders, such as Addison Lee, City Sprint, Excel and eCouriers. In a nutshell the legal disputes are aimed at redefining the legal status of thousands of workers, from the unfavourable one of

'self-employed' independent contractors (lacking a variety of rights) to that of 'workers' (enjoying some basic employment rights, including national minimum wage and paid holidays). The dispute of cab-drivers has been won with positive implications for thousands of such drivers. Other disputes are on-going in a flow of sentences and appeals to higher courts.

As discussed later in the section on discursive power, the challenges posed to these big companies by grassroots unions workers received media and public attention which were generally more sympathetic with the workers than with the companies (see also Però and Downey 2022). This is important because in addition to the direct impact that the legal challenges (and their public resonance) can have on the platform companies concerned, there seems to be also an indirect one, namely platforms companies that decide 'autonomously' (i.e. without being challenged in court) to shift away from the tainted practice of relying on 'self-employed'/independent contractors in favour of 'workers' with rights. This is the case of Just Eat food delivery company in the UK which is now using 'workers' with minimum wage, pension contributions, sick and holiday pays (see Butler 2021).

4.4 Coalitional(-societal) power

Keeping to the 'popular' typology of powers provided by Schmalz et al. (2018) so as to provide an analysis of power-building among precarious workers of the gig economy that has an enhanced comparative significance and potential, I now turn to *societal power*. This form of power refers to the ability to scale-up specific workers' disputes so that they become supported by social groups, organizations, and individuals who are 'external' to the workplace. In particular, Schmalz et al. (2018) distinguish two forms of societal power, namely *coalitional* and *discursive* power.

Coalitional power refers to the ability to develop and/or activate networks with other social actors in support of workers' campaigns and mobilizations. It could be seen as a sort of associational power scaled-up and populated by civic and community actors rather than workplace ones. While some works examined coalitional power in the context of established unions, see for example the work on community unionism and social unionism (Heery et al. 2012; Holgate 2015), research on coalitions centred around precarious workers (rather than organizations) has been more limited. As shown elsewhere (Però 2011), for migrant workers in conditions of 'powerlessness' and high precarity developing alliances with other players of the polity can allow them to move from an undeclared politics of resistance or infrapolitics (Scott 1990) to an explicit and public contentious stand.

Indie unions have been able to draw on a broad constellation of supportive civic and community groups in articulating their campaign. Unlike the mainstream manifestations of community unionism featuring established unions and civic organizations in rather formalized coalitions (such as Citizens UK, that features churches, mosques, university departments, etc.), the coalitions centred around indie unions' campaign tended to be more informal and fluid, as well as comprising a heterogenous range of generally alternative/critical groups and organizations. In an interview with Jules, a key organizer from UVW, I was explained how they were rather relaxed about who wanted to join and support their campaigns. As long as these groups were not trying to manipulate and/or take over the workers' campaigns (and were not a right-wing exclusionary organization), everyone genuinely supportive was in principle welcome.

Thus, indie unions' support initially came from radical groups, such as Feminist Fightback, Class War, migrant community organizations, and very importantly from each other (to the extent that for a few months IWGB and UVW even considered merging). Their protests are normally well attended, colourful, loud and generally quite creative (including Zumba dancing,

world music, drumming, poetry and so forth). Unsurprisingly given that indie unions broke away from mainstream unions because of the inadequate representation these provided to precarious migrant workers (Moyer-Lee and Lopez 2017; Alberti and Però 2018; Però 2020; Alberti 2016), mainstream unions offered Indie Unions' no support if not ostracized them – with the notable exception of a 'maverick' branch of Unison at SOAS University and later the Fire Brigade Union. Indeed, indie unions were often seen with suspicion by many in the British union movements, sometimes boxed and dismissed as 'anarchists' as well as expected to be short-lived. With the passing of time, however, and with indie unions not only growing (instead of disappearing as many predicted) but also proving remarkably successful at winning concessions while organizing those considered unorganizable, some established unions started to adopt a less hostile or dismissive attitude resulting sometimes in collaboration and the adoption of elements of their direct-action repertoires (e.g. PCS, BFWU).

4.5 Discursive(-societal) power

Discursive power is the last form of power identified in the typology by Schmalz et al. (2018) that this article has followed in discussing precarious workers formations through the case of indie unions. Discursive power is the form of societal power associated to workers' ability to influence the public debate and the general public through communicative and symbolic practices that resonate with prevailing views of fairness.

Chun (2009) showed the importance of discursive power (that she called symbolic) when US-outsourced workers redefined 'the employer' in a manner that included not only their direct employer (the contractor) but also their indirect one (the client organization). This re-definition is important because it exposed the moral responsibility and complicity of the client organization in the unfair treatment of outsourced workers. Being usually much more visible and concerned with their (good) public image than their contractors, client organizations are also potentially more 'vulnerable' to workers' discursive/symbolic challenges to such image, challenges that workers can use to leverage client organizations to 'ask' their contractors to accommodate workers' demands. The practices of re-definition of employers highlighted by Chun (2009) are important also because they can increasingly be found elsewhere. Indeed, they have been characterising indie unions' outsourced workers' campaigns since the outset (see Moyer-Lee and Lopez 2017; Acciari and Però 2017).

However, the case of indie unions allows us to make a different point on the significance of discursive power and its analysis, specifically on how such power can be enhanced through the strategic use of framing and self-mediation practices and its embeddedness in their other negotiating practices. As pointed out in Però and Downey (2022), indie unions' campaigns tend to be characterised by the staging of their disputes not only in the workplace and in the streets but also in the public (mediated) arena. This wider staging – articulated through self-mediating practices – is done for a broader audience with the twofold intent of (a) appealing to a range of diverse 'bystanders' (Snow 2008), among whom we find activists, consumers and journalists, and of (b) dissuasively structuring the attitudes of the employers.[12]

Activists tend to be reached directly by indie unions' self-mediation practices, e.g. through social media. While important for the extra energy and resources that they can contribute to campaigns (see the section on coalitional power), their numbers and 'circles' are relatively limited. Analytically more interesting to highlight here is the discursive work that indie unions' self-mediated practices seem to be doing in relation to the other members of the public, which entails framing workers' disputes in the mildly progressive language of human rights, recognition, and respect (rather than in a redistributive socialist one). This effort to appeal to mainstream

sectors of the public, and not only to labour activists, is illustrated by Alex, a key organizer of IWGB, who in an interview with the author stressed how their communication involves strategic self-restraint on this ground:

> what we have always tried to do is frame our issues in a way that no reasonable objective person could disagree with what we are trying to do. [. . .] we are not going to go out to the media and say we are trying to win a socialist revolution.

Many consumers, customers, clients (including university students), users of municipal services, hospitals, care homes, theaters, etc., may not like the employment practices of their service or products providers if they come to know about them. However, reaching these sectors of the public is not so easy to accomplish through self-mediation alone, so sympathetic coverage from mainstream journalists and their authoritative mass media becomes strategic. Journalists' work of mass mediation in fact not only validates the workers' causes/campaigns, but projects them on a vastly bigger scale, offering workers' campaign an important boost in terms of visibility and legitimacy (Gamson and Wolfsfeld 1993; Ferree et al. 2002). However, mainstream journalists may be more inclined to cover indie unions' disputes (and to do so through the use of consistent frames) when indie unions' web pages, you tube channels and so forth self-mediate and frame such disputes as being about recognition and basic human and employment rights (rather than about socialist redistribution). They are also more inclined to cover disputes if labour organizations provide them with access to reliable information and interviewees for their reporting – which indie unions, realising this importance, tend to do (Però and Downey 2022).

The self-mediation practices of indie unions are also an attempt to shape the attitude of employers, who realising that their employment practices have been publicly exposed as morally unfair on the internet and in social media, may decide to accommodate workers' basic requests quickly, before mainstream journalists start covering their disputes using a framing similar to those of the workers and taint their precious public image. Also, a number of fieldwork conversations I had with IWGB and UVW organizers, have revealed how sometimes it has been enough for them to point employers to internet material (footage and outcomes) of their previous disputes to make them seek an agreement promptly and prevent mobilizations, something they know can be quite disruptive and reputationally damaging. Here is how Alex of IWGB put it during an interview:

> "if you don't clean up your act we won't hesitate to take legal action against you and [. . .] bring this to the attention of the press, and if you have any doubt about the types of cases we bring in, our success rate and the amount of favourable press coverage we get, do check out our website" and I put a link to the website and [. . .] if I was an employer and I was sent the link to that website I would be scared out of my [. . .] mind, right, because if you look at it is just all this national press coverage, terrible press coverage for employers. That is an extremely effective tool because no employer wants that.

It is important to highlight how indie unions' staging of their disputes in the public arena through self-mediation in the manner just described is not simply an 'add-on' to their contentious face-to-face initiatives in the workplace and in the streets, but it is embedded in their overall negotiating and power-building strategies in a constitutive manner – an approach that we have referred to as *communicative unionism* (Però and Downey 2022).

5. Discussion and conclusion

The existing literature has so far offered limited insights into the growing phenomenon of precarious and migrant workers' collective initiatives and in particular into how they can develop and deploy power effectively in contexts of scarce material resources and institutional support. Drawing on the case of British indie unions, this chapter has analytically described these formations' power-related practices with the twofold intent of documenting one significant instance of effective precarious workers' organizing, and of contributing theoretical inferences on the subject.

Despite having scarce material resources and institutional support, indie unions have been remarkably successful at negotiating better terms and conditions (and at empowering workers). The analysis of their power-building strategies – carried out drawing on Schmalz et al. (2018) typology – has shown how despite a generally modest *structural power*, the precarious and often outsourced indie unions workers have been able to build a significant *associational power* through the development of communities of struggle (see Section 4.2). On some occasions, this form of power was accompanied by legal initiatives in tribunals and courts so as to add institutional power. On most occasions, associational power was complemented by *coalitional power* developed through the support received from a broad range of individuals as well as civic, community and labour organizations. Finally, associational power was also often complemented by *discursive power*, which was acquired through a shrewd deployment of self-mediation practices. These practices were able to stage their workplace disputes on the public arena and trigger further support through the use of appealing framing that journalists of mainstream liberal media could adopt, amplifying the visibility of their disputes and the challenge these posed to employers' valuable public image and reputation.

To be sure, this analytical description does not intend to be prescriptive or normative. It does not intend to suggest that there is a one best way to carry out effective industrial action let alone that this is that of indie unions. Nonetheless, indie unions' successful experience can represent a valuable term of reference and comparison for developing and/or examining collective initiatives of precarious workers elsewhere. In particular, the earlier account suggests that for precarious workers with scarce structural power, it is especially important to develop strategies in which different forms of power are actively and creatively drawn upon, developed and blended together synergistically, as this can help placing – as Alex of IWGB would put it – 'the union in a position of power against the employer in every dispute, because then we can extract what we want'. In examining these contentious strategies, Schmalz et al. (2018)'s typology, when employed as a heuristic device, can help not only to interpret rigorous empirical findings in more praxiological terms but also cast such findings in a more comparable light.

Finally and with the risk of stating the obvious, it is also important to remind ourselves that the possibilities for developing and/or drawing on certain forms of powers depend also on context. In certain locations, the developing of strategies similar to those of British indie unions may simply not be possible, due to different and possibly more hostile environmental conditions (see Miles et al. 2021), including employment laws, migration regimes, patriarchy, state repression of labour activism, police brutality, lack of free assembly rights, absence of a free press, internet censorship and surveillance.

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Notes

1 On the comparative significance of the power research approach (see Rizzo and Atzeni 2020).
2 Further reasons for this analytical neglect also include 'methodological nationalism' (Wimmer and Glick Schiller 2002) with its tendency to consider migrants workers – who make up a large section of precarious workers – as passive objects of policy and/or dysfunctional members of the polity, as well as 'methodological ethnicity' (Glick Schiller 2008) with its tendency to reduce them to mere embodiment of other cultures, expected to mobilize (if at all) for ethno-cultural recognition rather than material justice (see also Però and Solomos 2010; Però 2014; Jiang and Korczynski 2016).
3 With specific reference to precarious migrant workers, it is worth mentioning here the North American experiences of the *workers centers*. These are non-profit organizations based in local communities and co-led by workers members which developed to fill the representational void left by the decline of trade unions in terms of supporting low-wage precarious migrant workers through a combination of organizing, service delivery and advocacy (Fine 2006; Sullivan 2010; Choudry and Thomas 2013; Hetland 2015). Although not involving direct negotiation with employers or the state, these initiatives have been important in providing much needed support and assistance to precarious migrant workers.
4 This typology is part of the power resource approach (PRA) that Schmalz et al. (2018) have recently developed and which has its roots in the work of Perrone (Perrone et al. 1984) as well as in those of Wright (2000) and Silver (2003) (see Nowak 2021; see also the debate on *Global Labour Journal* 2018, 9(2 and 3) and 2019, 10(1)).
5 *High precarity* refers to the condition often embodied by migrant workers that results from the combination and cumulation of *economic precarity* (job insecurity, temporary and zero-hours contracts, low pay, etc.), *legal precarity* (insecure, unstable or irregular immigration status), *social precarity* (limited incorporation into the social fabric of the local community, neighbourhood, etc.) and *cultural precarity* (limited linguistic competence in the English language as well as limited knowledge of laws, rules, rights and entitlements) (see Però 2020). This condition is exacerbated by the current 'hostile environment' to migrants, the recrudescence of racism, as well as by the deprivation of political rights, such as the right to vote and stand at national elections that generally accompanies the migrant condition (see Anderson 2010; Virdee and McGeever 2017).
6 See for example Kirk (2020); Woodcock (2021); Ruffino (2021) and Gall (2020).
7 Up to the late 2010s, the exceptions to this lack of collaborative attitude were the SOAS branch of Unison; and later the Bakers' Unions and the PCS.
8 Methodologically, the approach underpinning my own work is informed by an embedded actor-centred sociological framework (as outlined in Alberti and Però 2018). Although my ethnographic work on migrant workers' engagements in the UK begun in 2004, most of the research that informs this article took place since 2015. By and large, this activity entailed (multi-sited) ethnography comprising a combination of participant observation, conversations, semi-structured interviews and documents examination (see Però 2020).
9 However, it is important not to overemphasize the significance of structural power as its exercise can be discouraged by a number of macro and micro contextual constraints (see Fox-Hodess and Santibáñez Rebolledo 2020; Nowak 2021; Miles et al. 2021).
10 The role of ubiquitous and capillary translations as well as that of a convivial, friendly and inclusive atmosphere in developing communities of struggles has been highlighted in Però (2020), see also Cioce et al. (forthcoming) in relations to SICobas in Italy.
11 Sam like Chris, Jules and Alex below are pseudonyms created to disguise and protect the identity of these research participants.
12 Each bystander's response is of course not simply determined by the message and framing of the sender but shaped by their own specific interpretations of it on the basis of different repertoires, agendas and constraints.

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16

LABOUR MOVEMENTS, GIG ECONOMY, AND PLATFORM CAPITALISM

Riccardo Emilio Chesta

1. Introduction

Far from being a new phenomenon, the gig economy has been reshaped by the current rise of platform capitalism. But while new technologies have introduced new challenges for labour, new forms of worker mobilisation have emerged, renewing the forms of collective action and unionism in the new phase of digital capitalism. The chapter looks at the specific challenges coming from the transformation of the work and social relations more broadly and distinguish between sectors of the digital economy characterised by new forms of organisations based on solidarity (microwork, crowdwork), and those sectors where new forms of conflicts and mobilisation are taking place (mobility, delivery). By linking critical labour studies and social movement theories, it analyses the ways in which digitalisation can be considered as a factor that not only disrupts traditional social relations at work through fragmentation and individualisation but also, conversely, opens up new opportunities to reshape worker social relations and forms of organisation. It will look at the interactions between digital transformation of platform work, interaction dynamics among the relevant actors of platform capitalism, and opportunities and constraints of worker mobilisation. In this sense, social movement theories can help addressing more general issues regarding this new wave of labour mobilisation, by looking at the opportunity structure, organisational resources, repertoires of action, and the claims of mobilisation. While platform capitalism tends to fragment labour and design new forms of worker control through new digital technologies, workers have under some conditions the power to respond to these challenges, creating new forms of labour mobilisations with repertoires and claims that in part renew the traditional forms of unionism.

Platform-based gig economy has not only been disruptive in an economic sense, but it has been also the theatre of new forms of worker solidarity and labour mobilisations. The unionisation efforts of Uber drivers in Seattle, the constitution of the Transnational Federation of Couriers (TFC) of the food delivery platforms in Brussels, solidarity initiatives like Turkopticon among Amazon Mechanical Turks, or the Fair Crowd Work experience initiated by a network of German, Swedish, and Austrian unions are just few among the most visible actions that demonstrate the contentious aspects regarding nowadays platform-based gig economy

While gig work exists since the beginning of industrial modernity (Stanford, 2017), new digital technologies have reshaped its nature in a new way, specifically triggering new dynamics at three levels: in terms of labour fragmentation and individualisation of employment relations,

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forms of worker control, status recognition, and remuneration. In the same way, these tendencies have triggered also worker mobilisations that have tried to reconstruct new forms of solidarity against technological individualisation, new forms of resistances against worker control and deskilling processes, new collective demands.

As part of the current phase of digitalisation, contemporary gig economy varies depending on specific sectors, regulatory regimes, and worker associational power, though the multinational scale of digital platforms pushes labour movements and worker organisations to link local forms of mobilisations with transnational ones.

In this regard, it is thus crucial to investigate new labour movements in the gig economy by looking at several dimensions that social movement theories have investigated like the opportunity structure where they operate (the interaction dynamics between the relevant actors involved), the organisational and associational resources they use, their repertoires of action, and their frames and claims. A labour movement perspective allows to look at digital platforms in critical terms, as a sphere where the new digital technologies are a function of the social relations linking employers and employee (Noble, 1984; Edward and Ramirez, 2016), with a new role played by platforms as both intermediary actors and employers (Vallas and Schor, 2020) that redefine the interaction dynamics defining the forms of labour conflicts and worker mobilisations.

2. Gig workers and platform capitalism: from grievances to collective action

Together with its Schumpeterian disruptive feature, the advent of platform capitalism has generated diverse sources of worker grievances that have produced though different outcomes in terms of forms of organisation and collective mobilisation. Literature on social movements has explained how the presence of collective grievances alone is not sufficient to explain the rise of collective mobilisations (Opp, 1988), and this holds true looking at the various typologies of gig work. Similar grievances related to algorithmic management have very different outcomes in terms of workers' collective action if we look at crowdworkers operating in a completely digital landscape (online microtasks) or workers who performs their task in physical spaces (services in delivery or mobility).

This can be the result of variations in terms of workers *structural* and *associational* power, which refers first to the power of workers to shape and determine the *economic structure* in general and, secondly, in the capacity to exert its worker power through unions or other forms of *association* (Wright, 2000; Silver, 2003). While this traditional literature in labour studies refers mainly to the traditional industrial working class, part of its framework needs to be redefined in light of the new transformation of the platform economy, given the new forms of intermediation overcoming traditional workplace, favouring labour fragmentation and individualisation that thus can inhibit some specific conditions favouring worker association (Vandaele, 2018).

Collective action requires organisational resources to conduct sustained protests, elaborate collective interests, and collective demands (McCarthy and Zald, 1977; Jenkins, 1983), and movement organisations at the urban level play a key role not only as allies supporting specific typologies of protests but also in providing social and organisational resources for new movements to emerge (Dixon and Martin, 2012).

While the interest for social movement theories in labour studies has been particularly relevant to explain the cyclical rise and fall of union power of mobilisation (Kelly, 1998), a dialogue between these two fields is relevant to explain current conflicts on the gig economy and their 'extension', regarding a broader involvement of urban movements, community organisations,

and citizens associations directly affected by platformisation at the city level. Indeed, the technological disruption of digitalisation is reshaping the nature and idea of workplace, employment relations, and workers' collective identity, but at the same time, it modifies the structure of opportunity for workers collective action that can be expressed in novel forms, partly through new forms of organising and partly revitalising previously existing unions.

The technological innovation of digital platforms doesn't take place in a vacuum, but it takes advantage from deregulation. Its social and political disruption depends on the absence or presence of institutional regulation that in the first instance can trigger new forms of precariousness or eventually be constrained by new institutional and legal settings (Schor, 2020).

Therefore, many conditions produced by platformisation have transformed the environment where collective action take place: the erosion of a traditional workplace as a place where worker power gets produced and performed, the nature of employment relations in specific works and services – especially in the sectors of delivery and mobility services – and the new ambivalent links with customers – potentially allies of workers instances or allies of platform algorithmic control.

All these conditions suggest a new space of opportunities and constraints for workers' mobilisation, where many categories exposed to the new social costs and risks of the gig economy find a way to build new social coalitions among movement organisations. As an example, community organisations mobilising over socio-economic and human rights at the city-level, like progressive urban movements, consumers' associations, migrant and youth movements or social centres, have provided in several countries a social infrastructure for food delivery couriers' struggles in terms of both material and organisational support: spaces of solidarity and of mutual support (self-organised collective resting spaces, bike sharing, and maintenance services), as well as incubators of activism and alternative labour unionism (spaces for worker assemblies and collective meetings) (Cant, 2018; Tassinari and Maccarrone, 2020; Chesta et al., 2019; Cini and Goldmann, 2020; Woodcock and Graham, 2020).

These dynamics suggest to integrate former debates on 'union revitalisation' (Frege and Kelly, 2003; Baccaro, Hamann, Turner, 2003) and on social movement unionism (Moody, 1997; Tapia and Alberti, 2019), on the current wave of digitalisation and platformisation.

Collective action in the new digital and platform-based landscape requires also a mix of old and new repertoires of contention, which are in Tilly's words 'the whole set of means it has for making claims of different kinds on different individuals or groups' (Tilly, 1986).

Digital strikes, coordinated log-off, app-based pickets' lines are partly an innovation of new gig workers and partly an extension in the digital world of repertoires of contention that workers adopted all along the labour history, which were transmitted by specific labour cultures, exchanges among different networks or generations of activists.

While the density of social networks is considered one of the most crucial factors to explain actors' capacity to collectively mobilise (Diani and McAdam, 2003), platformisation is challenging the idea of a common workplace characterised by workers' physical compresence, and favouring remote work, labour fragmentation, and individualisation of employment relations.

Though this is particularly true for so-called crowdwork, characterised by remote microwork through platforms (like Upwork for high-skilled professionals Clickworker for repetitive and low-skilled jobs performed by clickworkers) (Huws et al. 2016), the growing dissent of new workers of the platform economy, from the food delivery couriers to the Uber drivers, shows the limits of deterministic accounts regarding the intrinsic obstacles to mobilisation due to the social isolation caused by digital technologies.

While service sectors like mobility and delivery have been among the most visible cases of worker contention globally, they have taken different forms depending on the specific local

conditions of activism (Heiland, 2020; Joyce et al. 2020). Not only platforms are different depending on the macro-level regulatory regimes and the meso-level of managerial practices, but also worker mobilisations respond to a different set of opportunities and constraints derived from the specific political environment shaping their 'contentious performance' in terms of strategies, repertoires of contention, claims (Tilly, 2012). In this sense, some tendencies have been detected in particularly contentious sectors like the food delivery, with spontaneous worker struggles focusing more on strike activities regarding payment systems and mainstream unions privileging legal challenges on a mix of issues but especially privileging employment status (Joyce et al. 2020).

Furthermore, the transnational dimension of digitalisation, as a common trend of global capitalism, has been immediately visible also in the transnational dimension of activism, once again assessing how innovation at the level of the political economic structure invests also its more critical dynamics, such as worker organising (Tarrow, 2005). This has been particularly the case of food delivery workers' collectives, capable of organising a Transnational Federation of Couriers in Brussels in 2018 (Cant and Mogno, 2020).

In this regard, any inquiry on the nature of new labour movements in the gig economy needs to face many challenges, such as the global dimension of platform capitalism that creates a multiplicity of local conflicts, the diversity of contexts where local movement organisations emerged, and finally the interaction dynamics between platform regime and workers' organisations.

3. Conflictual interaction dynamics between platforms and gig workers

Thinking about the nature of labour organising in the digital platform-based gig economy present further elements of analytical complexity, given the multidimensional aspect of gig work, that can be performed in different sectors and locations or for different platforms and companies. Therefore, the characteristics of such workers and their material and symbolic aspects allowing to collectively organise should be analysed by looking at the plurality of roles and resources (education, culture, economic resources, social capital, previous experiences of activism), which can produce in some cases innovative frictions in terms of forms and contents of mobilisation.

These aspects intersect with specificities of gig work through digital platforms analysed in its twofold dimension regarding the interrelation of working tasks and social activities online and offline. In this sense, a growing intersection between some work characteristics in the 'real world' are relevant not only for a new stratification of work in the 'virtual world' (Huws, 2003), but also for a new articulation between 'real' and 'virtual' activism. The new digital sphere opens new opportunities and challenges for business and workers, that are highly dependent on 'real' environment in which it is still rooted (legal regulations, institutional and political conditions, etc.). Moreover, not only online jobs require specific skills that are not equally distributed in the real world of work, but also platforms operate in real, physical local settings, and this is particularly visible in the geographical homogeneity of workforce, even in the highly digitalised crowdwork.

As many empirical researches show, platform work reflects a specific geography of labour, with low-skilled and low-paid gig works – online microtasks that require clickworkers – mainly outsourced by multinational platforms in specific clusters of the Global South, where regulations, labour rights, and average incomes are low (Casilli, 2019).

These conditions are typical in crowdwork, where the individualised nature of totally online tasks, such as those performed through Amazon Mechanical Turk or ClickWorker, ideally

Table 16.1 Factors of Mobilisation and Forms of Organisation

Grievances	*Digital technologies*	*Social infrastructure*	
	+	−	**Solidarity initiatives** (e.g. Turkopticon, Fair Crowd Work)
	+	+	**Conflictual dynamics** (e.g. Riders Union, Alphabet Workers Union)

constitutes a huge obstacle for the development of a sense of collective belonging that can be conducive to forms of worker collective action. The absence of a shared workplace, the fragmented and individualised nature of virtual microtasks, performed through a personal computer seems not to be conducive to a sense of collective identity among workers that is essential for the development of collective action.

However, placelessness, dispersion, individualisation, and fragmentation are far from being definitive conditions also in online microwork (Lehdonvirta, 2016). Especially in Amazon Mechanical Turk, new forms of workers' mutual support and solidarity are taking place, as exemplified by Turkopticon, one of the most relevant microworkers' initiatives, allowing the exchange of information regarding several dimensions of a job task (e.g. employers' fairness, payment) (Irani and Silberman, 2013). A similar initiative is Fair Crowd Work, which has been created in Germany by the trade union IG Metall, in collaboration with Unionen, the Swedish white-collar trade unions, Arbeiterkammer, the Austrian Chamber of Labour, and ÖGB, the Austrian Trade Union Federation. Like Turkopticon, Fair Crowd Work provides information about platforms through a rating system that allows to share knowledge, such as specific terms of condition, workers' experiences, and information on labour rights (Lenaerts et al. 2018).

Digital technologies are, therefore, not only available to platforms to pursue their own cost-saving and accumulation strategies but can become sources of communication, mutual recognition, and support, which can develop a sense of collective belonging among platform workers.

In this sense, the diffusion of digital technologies like collective chats and social media groups allows to express and to share grievances also in absence of a physical common space, though collective action is limited to solidarity initiatives and do not give rise to broader processes of collective mobilisation raising collective instances through conflict.

These dynamics are visible instead among platform workers that perform their tasks offline, like mobility and delivery services. In these sectors, platforms are visibly and physically impacting the urban economy and society (couriers riding on their bikes, Uber cabs), with visible effects that attract the attention of local institutions. Spatial location is thus a key condition for sustained interaction among movement participants and for the broader mobilisation process investing all the relevant actors: the interaction dynamics between environmental conditions and digital platforms reshape a new 'opportunity structure' (Tarrow, 1983) for new labour conflicts.

Some dimensions defined by Tarrow for the study of more political forms of mobilisations (1983), like the concept of 'opportunity structure' can be used for the study of labour conflicts regarding platform capitalism. Specifically, these aspects concern the openness/closure of local political access (at the city and national levels) for worker instances (legal regulation of platform work), which implies the level of stability of electoral alignment of the political allies of workers' organisations and the strategic posture of potential new allies.

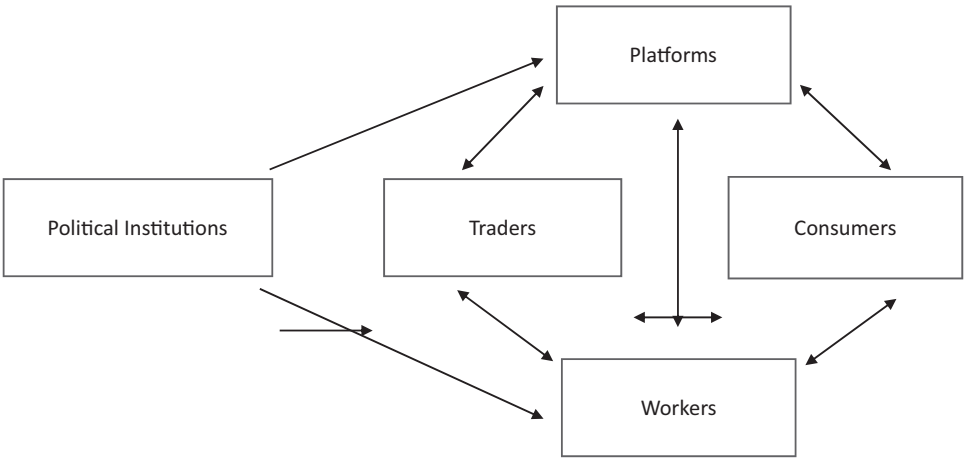

Figure 16.1 Interaction dynamics among relevant actors in platform labour conflicts.

The food delivery and the mobility sector are in this sense the most evident cases where to draw some generalisations regarding protests in platform capitalism, putting in relation the strategic interactions among workers' organisations, local political arena, and digital platforms.

In the food delivery sector, while a growing process of competition among multinationals pushes toward oligopolistic tendencies among platforms at the global level, just few among them, mainly located in core Western countries, are global players (Trappman et al., 2020), such as Uber Eats (US), Glovo (Spain), JustEat and Deliveroo (UK), and Foodora (Germany) – with the Indian food delivery platform Zomato as the only exception.

In the case of mobility services, the multinational platform Uber has impacted differently in diverse countries (Davis and Sinha, 2021), in terms of emergence of conflict (forms of worker mobilisations and union responses) and in terms of regulatory responses, with the US deregulating a local mobility market to create a favourable environment for Uber, Germany defending the existing regulatory frameworks and Sweden adopting a mixed response that adapt some legal frameworks but without disrupting national licenses and taxation (Thelen, 2018).

The opportunity structure for labour conflicts performed by gig workers in digital platforms concerns a broader variety of actors: the personnel and the management of the platform, political allies at the city and national level, unions, the workers, and the audience or consumers. Depending on the specificity of the gig work performed, it can consider also traditional business actors (e.g. traders, shopkeepers, retailers).

In this sense, the interaction dynamics among these actors create or inhibit the conditions for worker mobilisations, with a change in the power balance depending, for example, on the support or opposition of political actors at the local level for workers' demands, potential alliances among consumers, sectors of traditional business, and workers against platform decisions (e.g. competition policies, fees over delivery services).

The nature of platform technologies plays also a role. In both the food delivery and mobility services, platforms operate with specific algorithmic tools of management that constrains and control worker performance. Algorithmic management redefines new situations of power asymmetry (Rosenblat and Stark, 2016) since platforms have the power to decide the criteria through which the working performance is evaluated (e.g. speed, itinerary, quality of the task performed, payment rate) and finally owns the data produced by the workers during his/

her activity and through which a system of rewards, incentives, and sanctions is consequently elaborated and readapted. This new system operates notwithstanding the normative discourses mobilised by platforms regarding the self-employed characteristics of gig work, which impacts directly on a still underregulated sphere, in terms of legal misclassification that deprives workers of many important sources of protection and rights – especially, looking at opportunities to mobilise, the right to go on strike.

As an example, controversies regarding the status of Uber drivers as self-employed are producing several court suits in the United States and Europe (Adam et al., 2016), and a similar situation of misclassification is taking place in the food delivery sector in the UK and in Europe, in countries as different as Belgium, France, Germany, Italy, and Spain. The reason for these similarities is not purely episodic but tells us about a growing process of global convergence that regards the multinational level of platforms, the transnational legal environment where platform work comes into being, but also the transnational cooperation among workers organisations, especially in the case of the food delivery couriers, capable of creating a Transnational Federation of Couriers in Brussels in 2016.

As already assessed in industrial relations (Kelly, 1998), also in the analysis of mobilisation processes in digital platforms, both political process approaches (Kriesi, 2006) and resource mobilisation theories (Edwards and Mc Carthy, 2006) can provide important elements which finally show a variation between gig workers sharing digital technologies for mutual support and solidarity but not a social infrastructure to develop new forms of unionisation (crowdworkers) and workers provided of organisational resources at the local level, associational and political allies potentially transforming their need of support into a coordinated mobilisation process (locally concentrated gig workers like food delivery couriers, drivers).

In this sense, workers' spatial embeddedness is a necessary but not sufficient condition to explain the rise of mobilisation. A common space needs indeed organisational resources – density of social capital in terms of associations and movement organisations providing support – and political opportunities – political allies of workers at the urban level – to give rise to social protest. The articulation between these conditions explain the specific characteristics of labour mobilisations.

4. New labour movements in platform capitalism

As it has been visible in the few years, the most conflictual categories of gig workers have been in the sector of delivery and urban mobility services. This is visible not only in a rudimentary media analysis of protest events regarding the gig economy, but in a number of studies, researchers focused on the transformation of labour in platform capitalism that have increased globally.

Specifically, while researches on platform-based urban mobility focused more on the uberisation of work (Rosenblat and Stark, 2016), those on the food delivery has specifically regarded worker protest (Heiland, 2020; Joyce et al. 2020; Trappman et al. 2020). These aspects already tell us about the different levels of contention in the two sectors.

Protests regarding Uber are indeed more various and differentiated in terms of claims and frames of mobilisation, depending on the actors involved. In many cases, Uber drivers' protest claims in countries like the US and the UK present similarities with protests in the food delivery sector, raising issues regarding low pay, poor working conditions, and algorithmic control, though the organisational resources of their mobilisation are still different.

The high level of contention around platform-based services offered by Uber and Lyft produced also different responses depending on the local context. The 'defensive' counter-movements against their introduction, with taxi drivers defending the interests of their category

against unfair competition, as is the case of the BZP – Deutscher Taxi un Mietwagenverband in Germany or the Sindicato de Conductores de Taxis in Argentina, need to be distinguished from worker mobilisations expressing dissent toward Uber as a platform-employer.

This was initially the case in many North American global cities, where Uber encountered a high level of resistance from local regulatory authorities, though it finally achieved a legal status in most of them (Spicer et al. 2019), and in so doing, Uber has become a target of worker protests regarding specific working conditions, forms of labour control, and payment rates.

Also in this case, even if the regulation of platforms is highly dependent on local institutional contexts, there is a convergence in some countries due to their characteristics as liberal market economy. For these reasons, Uber and Lyft drivers were able to coordinate a transnational strike on 8 May 2019 in the UK and the United States, reaching also Brazil and Australia. Although both the local conditions and organisational resources were different, the repertoire of action and the claims presented several similarities. Both in the US and the UK, drivers turned their app off suspending the service for several hours. In New York, 1,000 workers of the Independent Drivers Guild (IDG) went on strike for two hours and performed traffic stops in Manhattan, New York City, while in Los Angeles drivers went on strike for 24 hours, both protesting against the app that violates the terms of the pay rates. Though in London, protests were held by the grassroots union Independent Workers of Great Britain (IWGB), with different structure and associational and political culture from the IDG, claims and slogans like 'Billons to bosses, poverty pay for drivers'[1] resonate with the protest claims in the United States, denouncing growing disparities between unfair pay for workers and the profits of Silicon Valley investors that 'get rich off their labour', as said by a IDG in representative in New York City.[2]

Also, in the case of drivers, growing processes of labour mobilisation contested a mix of technological and entrepreneurial rhetoric that platforms put in place (mis)classifying them as self-employed free to choose how long and when to work, while trying to hide managerial choices and forms of labour control adopted through algorithms determining fare pays, paces of work, geolocalised routes, workers' rankings, and ratings. Though the different regulatory practices can affect the nature of mobilisation, they are less relevant to explain the labour process. In China, new grievances rose related to a new despotism behind consent strategies elaborated by algorithms that manufacture rating logics linked to speed and number of fares performed and, therefore, becoming a system of incentives to compete with other workers at many levels, from the quality of the ride to the services offered to clients on board (e.g. Wi-Fi, air conditioning, entertainment) and the emotional investment of the driver (Wu et al. 2019).

In this regard, this system of incentives and sanctions pushes drivers to increase not only their performance during a ride but also to increase their workload not to lose a specific rate and a specific position in the rankings elaborated, thus having direct effects on both reputation and remuneration and putting in place new forms of labour control on a precarious workforce attracted by promises of autonomy and flexibility.

If many aspects regarding app-based gig works in urban mobility are in common with the food delivery sector, several differences explain the high level of contention and the capacity of workers to organise in several manners, creating new alliances with already existing unions or political parties, but above all, giving rise to new forms of social movement unionism.

While data on strikes are an extremely complex source and can produce several types of bias (Shalev, 1978) some analytical synthesis of the labour protests in the food delivery sector confirms some evidences regarding a major presence of informal groups of workers (85.1%) and a secondary role of mainstream unions (27.6%), in a way almost similar to the grassroot unions (26.9%) (Trappman et al. 2020).

This prevalence of informal unionism at a statistical level needs to be explained also with more fine-grained inquiries on the specific social composition, organisational resources and the local opportunity structure that can shed light on the specific conditions affecting the mobilisation processes. The food delivery sector was hypothetically full of obstacles for worker mobilisations, given the individualisation and precarious conditions as well as the high turn-over of workers in the sector. Notwithstanding these conditions, food delivery services presented some more favourable conditions. Working tasks have to be performed in urban settings, riding with specific uniforms and bags provided by respective platforms. Food delivery couriers of digital platforms need just a smartphone and a bike or motorbike to perform their task and therefore do not require huge economic investments as in the case of Uber or Lyft (where the cost of a vehicle would inhibit workers from going on strike). As a low-skilled job that requires the capacity to ride and deliver in time, it attracts a variety of workers that are usually young people, migrants, as well as precarious individuals with low-paid jobs or students, both looking for a supplementary source of income. Although costs and benefits of mobilisation processes can't be defined as objectively existing conditions, but depend on the same dynamics of mobilisation that can expand or reduce both, as theories of the political processes suggest (Tarrow, 1983), some categories of individuals are more likely to take part in social movements and collective action. In the case of food delivery couriers, the presence of student activists, members socialised into the previous waves of mobilisations against precariousness, or individuals with multiple membership in social centres, political groups close to workers' demands, or grassroots unions have provided the organisational resources for the rise of informal workers groups that organised collective protests.

Between 2016 and 2017, an increase of strikes has been recorded in the UK, and protests forged new alliances between grassroots unions and food delivery couriers: in London with the support of the IWGB, while outside of London workers joined the IWW (Woodcock and Graham, 2020). In the Italian case, protests were guided by new grassroots formations like Deliverance in Milan or Riders Union in Bologna, though many associations and spaces of social activism provided physical infrastructures (spaces of sociality, location for assemblies, mutual support). In Bologna, a conspicuous part of the leaders of Riders Union had previous experiences with student activism and membership with local associations and social centres, while in Milan, part of the San Precario networks and spaces became important resources for the birth of the grassroots union Deliverance (Chesta et al., 2019; Tassinari and Maccarrone, 2020; Cini and Goldmann, 2020). A similar trend characterised the German campaign Liefern am Limit (Riding at the Limit), performed by autonomous collectives of couriers as in Belgium with the Koeriers Collectief/Collectif des courier e.s. (Trappmann et al. 2020).

Differently, in France the Collective de Livreurs Autonomes de Paris was more prone to establish alliances with previously existing unions like the CGT (Borghi et al., 2021), while the Dutch couriers found alliances with the Dutch Labour Party for some crowdfunding campaigns for taking legal actions against Deliveroo.

Therefore, though the collaborative/conflictual interaction dynamics or the 'mode of coordination' between unions and new workers movements depend on the opportunity structure in a specific local setting which takes into account both strategic and identity factors (Diani, 2019), the claims and repertoires of action show more similarities, which can be explained by the transnational coordination of the workers' movement (Cant and Mogno, 2020). The main claims regarded the recognition of platforms as employees and the workers right to choose their status, traditional economic issues like hourly minimum guaranteed wage, worker rights like insurance and the right to strike, working time and freedom of association, while other claims concerned the contestation of 'technological neutrality' and demanded transparency of app and

data. Other claims went beyond sectorial interests and regarded more egalitarian issues, like the abolition of rankings, or solidarity initiatives like the legal protection of migrant workers.

In terms of repertoires of action, food delivery couriers were partly innovative, exploiting the opportunities provided by new digital technologies, and partly traditional with conflictual actions taken from the repertoire of grassroots unions and the urban movements. Digital communication through WhatsApp groups and chats became successful tools for the organisation of collective protests because they were linked to a traditional physical type of protest, creating both real solidarity and real damages for the platforms, like the collective log-off suspending the service at events characterised by peaks of deliveries. While they played the role of digital strikes, these actions were performed together with more classic bike demonstrations in the main city streets and square meetings, therefore displaying a collective identity that symbolically disrupted the common view of a fragmented and individualised workforce, while at the same time calling for boycotts and launching initiatives of brand-shaming against the platforms.

In this regard, notwithstanding the precarious and individualised organisation of food delivery platform work, the localised nature of the work in specific urban settings allowed a reciprocal recognition among workers, which was the pre-condition to initiate a process of informal organisation. However, mobilisation processes were possible only with the availability of associational and organisational resources at the local level, with couriers sharing previous experiences of activism and the support at the local level of movement organisations (as in the Belgian, German, and Italian case), grassroots unions (as in the UK case), or the availability of established unions and political organisations (as in the French and Dutch case).

Finally, the social characteristics of the couriers of the food delivery platforms, together with the localised aspect of the job allowing to perform visible forms of conflicts (digital strikes, street demonstrations) can be defined as the key factors that explain the rise of new forms of labour activism in the sector. The organisational membership in specific movement organisations explain part of the claims and the repertoire of action, which was partly reinventing in a digital landscape the old repertoire of industrial strikes and street demonstrations.

This hybrid composition explains thus the hybrid claims that innovate traditional forms of unionism mobilising specifically on material interests – the organisational and structured form of the 'old' working class movement – with new forms of mobilisation trying to extend solidarity and generalise struggles on social rights to broader categories.

Further research on labour activism in the gig economy can thus help explaining how these mobilisations are contributing to the revitalisation of collective action in further sectors of the gig economy and potentially how they can contribute in understanding the complex network of interactions that link labour issues with other broader issues concerning social, economic, and political rights currently disrupted by digital capitalism.

Notes

1 www.theguardian.com/technology/2019/may/08/uber-drivers-strike-over-pay-and-conditions.
2 www.nytimes.com/2019/05/08/technology/uber-strike.html.

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17

CONSUMERS IN THE GIG ECONOMY

Resisting or reinforcing precarious work?

Joshua Healy and Andreas Pekarek

1. Introduction

Within the maelstrom of developments impinging on the future of work, few have attracted as much attention as the rise of the gig economy (Healy *et al.*, 2017). Its emergence has come about through technological advances that enable 'platform companies' to connect buyers and sellers in a wide range of new and old markets, upending traditional business models. The most prominent platform services operate in ride sharing, food and grocery delivery, and household help, although similar companies are now appearing more widely, in healthcare and social services, for instance. Through their user-friendly applications (apps), such companies have greatly expanded consumer choice and convenience while also driving the proliferation of contingent and weakly regulated working arrangements.

It is because of their labour management practices and implications for work that platform companies have attracted mounting scrutiny and opposition (Chai and Scully, 2019; van Doorn, 2017). Typically, workers participate in the gig economy as independent contractors rather than as platform employees. They are paid piece rates for doing discrete tasks, with no commitment to ongoing employment – hence the notion of a gig. In these respects, gig work is a modern echo of much earlier forms of tenuous work (Stanford, 2017). While there is always some appetite for these kinds of flexible work with 'no strings attached', such arrangements contribute to accelerating the wider phenomenon of precarity in work and income (Vallas and Schor, 2020). As contractors, gig workers are denied coverage of key minimum employment standards in most countries, have limited collective representation and voice, and are unlikely to be acquiring firm- or occupation-specific skills that advance their long-term careers. Gig workers are also subjected to intensive, technologically aided, and data-driven surveillance and disciplining of their work performance – that is, 'algorithmic management' (Kellogg *et al.*, 2020). These conditions lead work and employment relations scholars to conclude that platforms' business models are perpetuating and normalising 'low-road' labour management practices (Healy and Pekarek, 2020; Myhill *et al.*, 2021).

As the gig economy has grown and permeated ever more industries, its implications for the future of work have become subjects of urgent and widespread concern (Gandini, 2019). A broad constellation of actors – including lawmakers, state agencies, unions, and mainstream employers – contributes to a noisy discourse around the treatment of gig workers and the regulation of platforms. These stakeholders have differing degrees of influence over labour practices

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and working conditions in the gig economy (Kirchner and Schüßler, 2020). Unions and government regulators have been instrumental in compelling some platforms to forego the harsher aspects of their labour practices, through the imposition of new rules and the mobilisation of gig workers (Acevedo, 2020; Tassinari and Maccarrone, 2020; Thelen, 2018).

Much less attention has been paid in these debates to the potential for another key actor in the gig economy – the consumer – to influence platforms' labour management practices and the resulting conditions of gig workers. Yet because of their centrality to the operation of the gig economy, consumers warrant closer consideration. We will argue here that they have considerable potential to influence the shape and direction of labour practices in the gig economy, for better and for worse. By virtue of their different levels of interaction with platforms and gig workers and their choices at each of these levels, consumers are able to either reinforce or resist the precarity that many gig workers contend with on the job.

In this chapter, we develop a novel typology of these different levels of consumer action, and present evidence of how these currently shape gig workers' conditions. While noting that further research is needed, we conclude that the strongest tendency at present is for consumers to reinforce (rather than resist) precarity for gig workers. This assessment has interesting implications for the strategies that might be adopted by other actors attempting to improve gig workers' conditions, requiring them to be more attentive to the realities of consumer attitudes and the necessity of winning more consumers over to their cause.

In the next section, we briefly review the main threads of the existing literature concerned with consumers' influence on working conditions. To date, very few studies have considered consumers' roles in relation to work in the gig economy specifically, but there are signs that this is starting to change. After that, we outline and explain our new typology of consumers as actors in the gig economy. We identify three overlapping spheres of influence for gig work consumers, arising from their engagement in platform markets, their interactions with gig workers, and their increasingly direct role in regulation. We conclude with observations about the potential future avenues for testing and refining our typology of consumers' roles in the gig economy.

2. Unfinished business: understanding consumers as labour market actors

Driven by the burgeoning field of consumption ethics (Carrington *et al.*, 2021), the role of consumers vis-à-vis workers has attracted growing attention from work and labour scholars (Donaghey *et al.*, 2014; Healy *et al.*, 2020). Consumers are understood to make choices about what products and services to buy and use, and these have implications for working conditions in sometimes complex supply chains (Reinecke and Donaghey, 2015). There is also some evidence that consumers will pay higher prices for ethically produced items that have demonstrable benefits for workers (Tully and Winer, 2014; Hainmueller *et al.*, 2015). This has given rise to various initiatives around incentivising ethical consumption via product certification and labelling schemes, the emergence of new and 'fairer' brands, and attempts to raise public awareness of the consequences of unethical choices (e.g. Aghazadeh, 2018; Thomas, 2021). Most recently, exposure of the problem of 'modern slavery' has prompted increasing consumer concern and demands for regulatory responses (Caruana *et al.*, 2021).

While focused on the possibilities for ethical consumption behaviours, these contributions do not capture the breadth of consumers' potential influences on working conditions. Yet as shown by others within industrial relations (IR), a broader perspective on consumers is both possible and instructive. In a pioneering contribution, Bellemare (2000) called upon IR scholars to acknowledge that work is regulated by a broader range of actors, beyond the institutional

trinity of unions, employers, and the state. He focused on consumers – or what he called 'end users' – and mapped out different roles through which they can be influential as actors in IR. Within organisations, consumers act as co-producers, co-supervisors, and co-designers of work, while at the institutional level, they have the capacity to shape outcomes through political and judicial processes. Bellemare (2000) illustrates the analytical potential of his framework in a study of Montreal public transport users.

Kessler and Bach (2011) later extended Bellemare's (2000) work by elaborating different 'contingencies' that affect the roles of consumers in IR. They examined the scope for social care in Britain to be reorganised through new work roles that are better attuned to users' needs. In their refined conception, the capacities of consumers to act as co-producers, co-supervisors, and co-designers of work is enabled or constrained by additional factors not addressed by Bellemare (2000). Kessler and Bach (2011) call for greater differentiation of individual consumers and the contexts in which they act. These include developing deeper understanding of consumers' identities, both as individuals and as groups (in effect, their capacity to engage), organisational features (the degree to which firms control consumers' involvement), and the wider policy context in which consumer engagement occurs. Their key contribution is to show that consumers' influence in IR is heavily dependent on context.

In what follows, we draw from these various strands of earlier thinking, to conceptualise and clarify the distinctive roles that are played by consumers in shaping work and workers' experiences, *within the specific context of the gig economy*. We adapt and extend the prior work as appropriate to this new setting, recognising that previous scholars have focused on examining consumers as actors in respect of employment in traditional workplaces rather than in the markedly different precarious and algorithmically managed work environments that characterise today's gig economy.

3. Consumers as actors in the gig economy: a new typology

Based on the preceding discussion, we develop a typology that sets out three different roles played by consumers in the gig economy, with respect to workers' conditions. Our approach hinges on the idea that consumers act within *overlapping spheres of influence*, shaping gig work conditions through engagement in platform markets, interactions with gig workers, and participation in wider regulatory processes. In each of these spheres, consumers make choices that serve either to reinforce or resist precarity for gig workers. We illustrate these relationships in Figure 17.1.

3.1 Consumers as platform market participants

At the outset, consumers must decide whether to participate in the gig economy. Platform markets have proliferated and diversified, but consumer uptake is not universal. Even in the face of their growing popularity, the available evidence indicates that only a minority of consumers actively engage with platforms on a regular basis. Using Australian survey data, for instance, Healy *et al.* (2020) found that platform users were a minority of the population in 2017, accounting for around one in three adult Australians. Depending on the market, a sizeable majority of people had not even heard of, let alone used, platform-based services.

Usage is also concentrated among certain demographic groups of consumers. These tend to be younger, more educated, and urbanised (Healy *et al.*, 2020). While more comprehensive information about patterns of consumer engagement with the gig economy is needed, it is doubtful, on this evidence, that platforms yet 'cover the field' in terms of consumer options. We

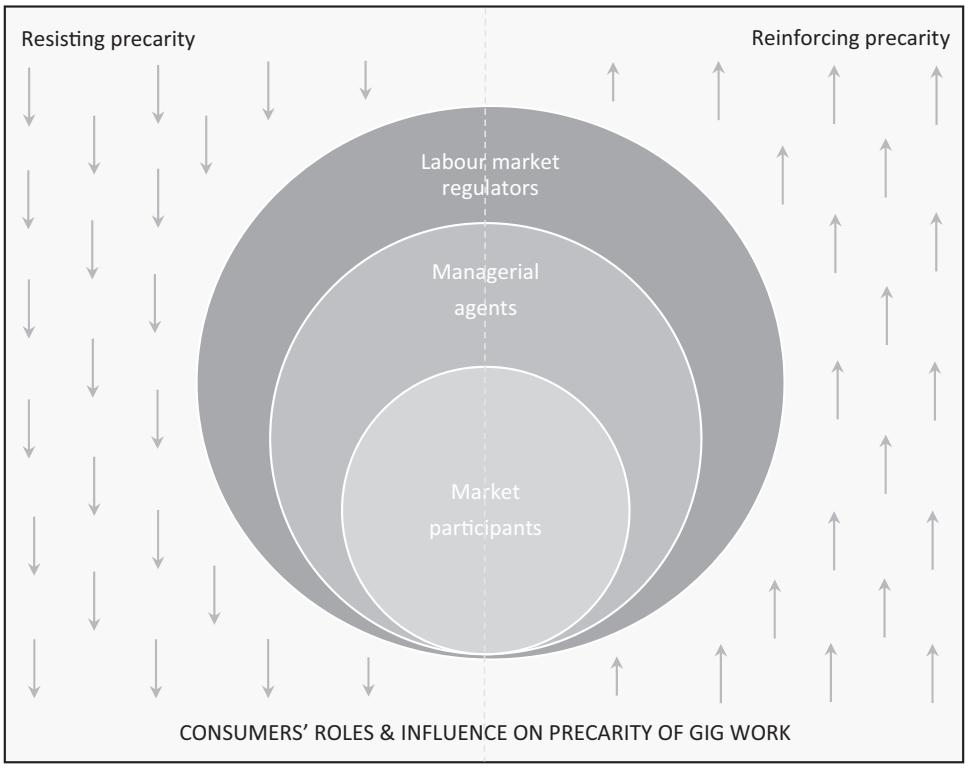

Figure 17.1 The overlapping spheres of consumers' influence on work in the gig economy.

lack a comprehensive understanding of why some consumers – and not others – engage with platforms. But it is imperative to realise at the outset that not all do, which complicates some platforms' claims about their actual or eventual market dominance.

Ultimately, the demand for gig workers is driven by consumers. When signing up to use a platform, consumers are typically required to accept certain terms and conditions of use, which platforms define. Consumers' acceptance implies at least passive endorsement of that platform's business model. And this introduces yet another dimension of consumer choice: *which* platform(s) to use.

The leading platforms have clear monopolistic aspirations. Uber is the prototypical example of a platform that aggressively pursues market share, through strategies that seek both to attract users and sideline rivals. Market monopolies are then reinforced by network effects: more users create 'thicker' markets, which means that service quality and timeliness can be improved – in the case of ride-hailing, for instance, available drivers can be matched more quickly with those seeking rides in their vicinity.

Despite the prevalence of winner-takes-all strategies, few platform markets are completely monopolised. Consumers can still choose between companies and can, if they wish, direct their support to platforms that adopt different labour practices from the dominant players. Whether consumers do this in practice depends, firstly, on their awareness of platforms' practices and their degree of concern about these. Emerging evidence shows that while many consumers see benefits in the flexible working options that platforms provide, they are also concerned about other adverse consequences for gig workers, especially the risks to careers and financial security

(Healy *et al*., 2020). Whether consumers are sufficiently *motivated* by these concerns to change their behaviour – either by shifting to alternative providers or refraining from using platforms altogether – has not been extensively studied.

Building on earlier research about 'ethical consumption', recent work raises the possibility that 'socially conscious consumers', who are attuned to platforms' labour practices, will opt to use those that provide a better experience for workers (Belanche *et al*., 2021). This is one important channel through which consumers' choices as platform market participants serve to resist or reinforce gig workers' precarity.

Efforts to inform, support, and profit from positive consumer choices in this regard have come from two quite different sources. On the one hand, some emerging platforms have sought to tap into latent consumer demand for better worker treatment, by advertising more 'worker-friendly' approaches (Healy and Pekarek, 2020). This includes numerous examples of platform cooperatives that are established and run for the benefit of gig workers rather than for owners or investors (Johnston and Land-Kazlauskas, 2018). The other important development in this vein involves new rating schemes that scrutinise and rank different platforms according to their labour practices, such as the pioneering Oxford Fairwork project and its international spin-offs (Fredman *et al*., 2020; Graham *et al*., 2020). Both developments seek to positively influence consumer choice, by focusing attention on how different platforms treat gig workers.

Active decisions to resist the imposition of greater precarity for gig workers may, however, impose additional costs on consumers. This can include higher prices charged by platforms that do follow the dominant low-cost/low-road business model, as well as indirect costs, such as longer waiting times, stemming from the more limited market presence and coverage of smaller and newer providers. At some point, even socially conscious consumers may baulk at these additional costs. More research is needed to establish where the thresholds lie and to quantify different consumers' capacity and willingness to pay more for 'worker-friendly' platforms. Recent evidence points to some scope, albeit limited, for permanently increasing consumer prices to improve gig workers' conditions (Smith *et al*., 2021). Consumers may be reluctant to pay more in part because they lack awareness of gig workers' actual conditions. This suggests that an important precursor to asking consumers to pay more for gig services is informing them more fully about the underlying labour conditions in which such services are rendered. Labour activists, state agencies, and scholars can all contribute to this effort.

The option for consumers to 'tip' workers on some labour platforms is another related but theoretically challenging development (Duhaime and Woessner, 2019). Should such choices ultimately be seen as reinforcing or resisting gig workers' precarity? At a superficial level, tipping corresponds to resistance: these are direct, discretionary transfers of income from consumers to workers that acknowledge the efforts of the latter and act as supplementary compensation. However, consumers have little information about or control over how tips made via the platform are collected and in what form they are distributed to workers. At a deeper level, tips may be seen to absolve platforms of responsibility for paying gig workers fairly. By tipping, customers are voluntarily 'taking up the slack' but are counterintuitively reinforcing the underlying labour practices that place workers in precarious circumstances in the first place. This paradox illustrates the limits of consumer activism as a stand-alone corrective to worker precarity in the gig economy. Additional action is needed, especially from governments and platform companies, to improve prevailing labour standards in the gig economy. Such wider action should be spurred by the recognition that some consumers are indeed willing to tip gig workers since this undermines the claim that current platform users are acutely price sensitive and opposed to paying more for services.

3.2 Consumers as managerial agents

Platform use creates a variety of opportunities for customers to interact with gig workers. These interactions might be fleeting and mostly inconsequential (accepting a meal delivery, for instance) – or longer lasting and more involved (a journey by car or hiring someone to provide household help). In all these situations but to varying degrees, consumers occupy positions of power vis-à-vis gig workers (Maffie, 2020). It is consumers that initiate gig transactions; workers are then brought in to provide whatever the consumer requires. This again creates situations in which consumers have choices about how they treat gig workers – choices which influence both workers' subjective and material experiences at work and the extent to which their inherent precarity is reinforced.

A powerful and widely studied mechanism through which consumers shape gig workers' experiences is the use of in-app ratings systems (Rosenblat *et al.*, 2017). These provide opportunities for platform users to evaluate either individual workers and/or the quality of their overall service experience. Such evaluation systems are certainly not unique to the gig economy. But here, they are integral to how the whole platform marketplace operates and to its implications for workers. Unlike in conventional service organisations, 'management' of workers in the gig economy is remote, impersonal, and technologically enabled. It relies on sophisticated data collection about each transaction and algorithmic processing of that data. Customer ratings are key inputs to this process, underpinning and aiding the viability of 'algorithmic management' (Newlands, 2021). In this way, part of what consumers do in the gig economy is act as *de facto* managerial agents, furnishing platforms with actionable data on worker performance, even in the absence of observation by human managers. The uses of these data have profound implications for the management of gig workers and their precarity at work.

There are few rules governing how platforms use the data they capture for workforce management purposes and even less voluntary transparency from platforms (Möhlmann and Henfridsson, 2019). This opacity means that neither consumers nor workers have a clear 'line of sight' as to how data collected from and about them will ultimately be used (Bucher *et al.*, 2021). Researchers studying the gig economy have, however, revealed some of the potential uses and documented their consequences for workers. One uncontroversial use has been to avoid subsequent, poor-quality matches between customers and workers. In the case of Lyft, for instance, Maffie (2020) reports that customers and/or workers who gave each other low ratings were not rematched for future rides. When used by a major platform company like Lyft (which can ensure minimal loss of customer convenience and worker opportunity), such an approach entails a positive use of ratings data to enhance all participants' experiences of the platform.

More frequently, however, researchers have pointed to ways in which platforms can use data to systematically control, discipline, and disadvantage gig workers. There is substantial evidence that poor ratings from customers can have dire consequences for gig workers, resulting in them getting fewer or lower-value jobs and even being 'deactivated' by the platform (Schor *et al.*, 2020; Wood *et al.*, 2019). Such repercussions serve to reinforce gig workers' precarity, especially in the absence of effective recourse mechanisms (Kellogg *et al.*, 2020). Further compounding the potential disadvantage for workers is evidence that customers' ratings may reflect racial, gender, and other types of discriminatory biases that are unrelated to service quality (Rosenblat *et al.*, 2017).

Consumers' behaviour towards gig workers also influences the latter's work experiences in more immediately tangible ways. Like in conventional service settings, consumers in the gig economy may be rude and inconsiderate or courteous and congenial, meaning that gig workers must perform the familiar varieties of psychological, emotional, and even aesthetic labour (e.g.

Warhurst and Nickson, 2007). Emerging evidence demonstrates that platform consumers are also motivated by self-interest, which leads some to subvert algorithmic management for their own personal benefit. Such 'user agency' has significant implications for gig workers (Ramizo Jr, 2021). Imagine that an Uber passenger requests their driver to drop them somewhere different from the prearranged destination. The job is booked and accepted via the platform app, but on the spot the consumer demands something else of the worker that is unexpected and possibly even illegal (Maffie, 2020). Or consider similar possibilities when a gig worker visits a private home to do a specific maintenance task, only to discover that the job is different or more complex than it appeared. Such situations place gig workers at a severe disadvantage, asking them to make spontaneous decisions that may prove to be risky or confrontational, from positions of subordination to consumers' whims. Lacking authority and with little practical recourse to platforms for assistance, gig workers may feel obliged to comply with such requests – powerfully reinforcing their precarity.

4. Consumers as labour market regulators

Consumers shape the gig economy in a third and increasingly important way, by influencing the regulation of platform labour markets. As we will explain, this influence has previously been largely of an indirect kind, which ultimately depended on the willingness of lawmakers to respond and cater to actual (and perceived) consumer pressure. More recently, however, consumers have participated *directly* in making rules that govern work in the gig economy, effectively bypassing and usurping the roles of the legislature and the judiciary. Such direct consumer participation as labour market regulators is unheard of outside the gig economy and has yet to be fully recognised or theorised even within it. Yet this aspect of consumers' influence appears poised to grow stronger in coming years. Our brief analysis in this section is thus intended to spark further scrutiny and analysis of what consumers do for (and to) platforms and gig workers in their emerging role as labour market regulators.

Since early in the life of the gig economy, leading platforms have sought to forge alliances with consumers. This partly reflected platforms' business objectives for growth and market dominance: some degree of consumer awareness and, ideally, loyalty was needed to build a minimally viable level of activity in new platform markets. Yet consumers' support quickly proved useful to platforms for other, quite different reasons, beyond their market-viability concerns. As Thelen (2018) shows, platforms have nurtured politically beneficial coalitions with consumers. In this vein, demonstrable consumer support confers qualities of apparent legitimacy, popularity, and even indispensability on platforms. Such perceptions can then be marshalled, when required, to 'shield' platforms from unfavourable regulatory attention (Culpepper and Thelen, 2020). Governments may act more carefully in their approaches to platforms if they sense that the 'wrong' types of intervention will inconvenience consumers. Indeed, such assessments may even work pre-emptively to deter consideration of certain regulatory options. Platforms thus seek to amass and use consumer support as a kind of currency that prevails over other competing concerns – including those about precarious working conditions. By bringing consumers on side, platforms hope to change the political calculus about what sorts of regulatory responses are seen as feasible and desirable.

Uber's attempt to challenge the authority of one UK regulator, Transport for London (TfL), provides an illustration of the political and strategic benefits for platforms of building close alliances with consumers. In 2017, TfL declined to renew Uber's license to operate as a taxi service in the City of London, pointing to 'a lack of corporate responsibility in relation to a number of issues which have potential public safety and security implications' (TfL, 2017). Immediately

in response, Uber called on its users to sign a petition opposing the decision and asking the mayor of London to reverse it (Butler and Topham, 2017). Part of Uber's appeal to consumers was the #SaveYourUber hashtag and a suggestion that overturning the decision would 'defend the livelihoods' of Uber drivers. Within a day, half a million Uber users had signed the petition (Farrer and Khomami, 2017). As Dave and Schomberg (2017) observed, this incident showed Uber using 'its tried-and-tested tactic of asking customers for help when it locks horns with regulators'. This and other similar attempts to mobilise consumer support form part of a broader tactical repertoire, which also includes political lobbying and the use of formal legal channels for overturning unfavourable rulings. In this case, Uber's license was ultimately reinstated after a protracted appeals process but with considerable reputational damage for the company due to greater regulatory scrutiny and repeated media exposure of its business and labour practices (*BBC News*, 2020).

Regulation of platform companies is about a host of issues and concerns, including public safety, taxation compliance, and competition policy. But in the realm of work and labour markets, one issue dominates: the employment status of gig workers. One of the defining peculiarities of the gig economy is the widespread dependence on contract-based labour arrangements. Drivers, couriers, and other workers providing services on behalf of leading platforms, such as Uber, Lyft, DoorDash, and Handy, are not employed by these companies. Rather, they operate as 'independent contractors', a class of worker which typically enjoys fewer labour protections (e.g. eligibility for the minimum wage) and rights (e.g. to organise collectively) than are available to employees. The designation of workers as contractors was a feature of labour practices in the gig economy from the outset and is an article of faith for many platforms (Bellon, 2021; Duggan *et al.*, 2020). Accordingly, they view the possibility of regulators moving to 'reclassify' gig workers as a significant business risk (AlphaBeta, 2019). Yet determinations that gig workers are indeed employees have been made by regulators in jurisdictions around the world, encouraged by unions and workers' rights advocates despite platforms' staunch opposition (Cherry, 2021; Koutsimpogiorgos *et al.*, 2020).

This perennially controversial issue of employment status is the basis on which consumers' role in the gig economy has recently begun to evolve in an interesting new direction, away from influencing regulators' decisions indirectly, and towards directly determining the rules. This development was most forcefully demonstrated by events surrounding Proposition 22, a ballot initiative approved by Californian voters in November 2020, which – in a major victory for platforms and their allies – reaffirmed the contractor status of gig workers in that state (Paul and Wong, 2020). The success of Proposition 22 represented a dramatic reversal of earlier progress towards reclassifying gig workers as platform employees. Less than a year prior, new legislation (AB5) took effect in California that, by altering the test of employment status, expanded the employee category to include gig workers (Paul, 2020). Throughout 2020, however, major platforms refused to comply with the new legal requirements of AB5 (Cherry, 2021). Instead, they mounted an expensive but ultimately successful campaign to secure an exemption from it, via Proposition 22 (Siddiqui, 2020). The success of the ballot is extraordinary, in that it made voters the ultimate arbiter of gig workers' employment status, a position traditionally occupied by legislators and the courts. We know of no other cases of voters directly determining the employment status of workers outside the gig economy.

The reasons why Californian voters supported Proposition 22 remain subjects of research. But Cherry (2021) points to several likely reasons that stem from voters' interactions with platforms *as consumers*. First, there was a palpable concern about loss of service availability. In the lead-up to the vote, one major platform, Lyft, had threatened to cease operating in California if forced to recognise its drivers as employees (Cherry, 2021). This prospect may have,

understandably, encouraged some voters to support a measure that they regarded as preserving a valuable transportation service option in their community. Second, there was a concern about service price. Inferring that a shift to employee status might make gig workers costlier, some voters may have opted to affirm and reinstate their contractor status. Finally, there is the possibility of what we might call 'misguided support', whereby some consumers, swayed by platforms' messaging, supported Proposition 22 in the belief that it would help gig workers (Hawkins, 2020). Such responses echo our earlier critical comments about tipping: well-intentioned consumers may unwittingly bolster the very labour practices and legal distinctions that keep gig workers trapped in positions of precarity and deprived of basic employee rights.

Prospectively, it is likely that there will soon be other occasions where consumers are called upon to adjudicate on gig workers' employment status, as they were with Proposition 22. Academic and other observers have seen the Californian ballot initiative as setting a precedent for platforms' approaches to gig labour regulation in other jurisdictions (Cherry, 2021; Hawkins, 2020). Proposition 22 is undoubtedly important as both a substantive and symbolic win for platforms. It advantageously changes the rules under which they operate and provides a powerful basis upon which they can claim and demonstrate popular support. Yet the full implications of Proposition 22 are still to be understood and will call for further research. Even though platforms appear to have a tactical 'playbook' for further advancing their interests, their ability to replicate Proposition 22's outcome elsewhere is not assured and will depend on other actors' responses. Consumers may be less inclined to uncritically accept platforms' claims about the consequences of ballot initiatives for workers, prices, service quality, and so on. Following the result of Proposition 22, some Californian voters reported feeling confused or misled by the earlier positive messages they had heard from platforms in advance of the ballot, especially in relation to how gig workers would benefit (Siddiqui and Tiku, 2020). As understanding evolves, the battle for consumers' hearts and minds seems more important than ever in determining the trajectory of labour regulation and the extent of worker precarity in the gig economy.

5. Conclusion and areas for further research

We have sought in this chapter to briefly review the existing literature about consumers as labour market actors and to refine and reimagine these roles with application to the new market, management, and regulatory realities that shape work in the growing gig economy. By introducing a new focus on consumers to existing analyses of precarious work conditions in the gig economy, we have shown that consumers' choices have the capacity to influence the direction of change – either by resisting or by reinforcing tendencies toward precarity. We argued that consumers act through overlapping spheres of influence that are peculiar to the gig economy and that are, thus, not fully appreciated in prior studies of consumers as industrial relations actors in conventional employment settings. Among other things, we urged scholars and activists to pay closer attention to the ways in which platform consumers act as managerial agents and de facto regulators, going well beyond the previously understood limits of their influence outside of the gig economy. Our innovative typology, when applied to the contemporary structures and strictures of gig work, indicates that the prevailing tendency is for platform consumers to reinforce precarity rather than resist it.

At the same time, we are mindful that the gig economy is an emerging phenomenon that remains in a state of flux. The contest for consumers' support, between platforms seeking market advantage and workers pursuing better conditions, is not yet won; moreover, it is playing out in different ways and at different speeds around the world, for reasons that are not yet fully understood. With reference to our typology of consumers as actors in the gig economy,

it should be stressed that the boundaries between the overlapping spheres of influence that we identified are also in flux. They are being renegotiated and redrawn for many reasons, including changes in the composition of the population accessing platform services, growing consumer awareness about the realities of platforms' labour practices, a concerted 'pushback' against those same practices from trade unions and other advocates, the shifting regulatory terrain that platforms face, and responses by platforms themselves. The interplay between all these forces and the extent to which they can explain patterns of behaviour by consumers remain important terrains for future research. But the essential point we are making here is that nothing is settled; consumers' sympathies have not yet been decisively won by platforms or yet lost to the cause of improving gig work conditions.

For scholars who turn their attention to studying consumers as actors in the gig economy, a rich and varied research agenda beckons. We do not articulate here the full extent of issues requiring further research but offer a sketch of where productive efforts could be directed, drawing on our preceding typology. First, with respect to consumers as market participants, we need to know more about those who do not yet use platform services. Further research could particularly usefully investigate whether consumer *non*-engagement is attributable to reservations about condoning platforms' controversial labour practices. Second, considering consumers as managerial agents raises interesting, unanswered questions about awareness and intent. Do consumers understand the consequences of their ratings for workers? If not, does informing them alter their behaviour? What else might consumers do, outside the app interface, to induce or allay feelings of precarity among the gig workers they interact with? Finally, there is arguably most to be done with respect to understanding the implications of consumers' unusual but expanding role as labour market regulators within the gig economy. As the dust settles on California's Proposition 22, there will be a need for careful evaluation of what drove voter sentiment and how consumption behaviours were implicated in their choices. The possibility of additional ballot measures in other jurisdictions presents further scope for interstate comparisons and a longer-term view of how consumer attitudes may be evolving. The positioning of consumers as the ultimate arbiters of employment status in the gig economy also raises urgent and complicated questions about the faltering pre-eminence of the courts and legislatures, and what this means more generally for the regulatory role of the state. These questions and others that are inspired by our conceptual framework will add nuance and coherence to efforts to comprehend not only what consumers do now in the gig economy but also how to elicit their support for progressive measures in the future.

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PART IV

Regional dynamics, Global North

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18

TRANSFORMATIONS OF WORK IN THE ERA OF THE GIG ECONOMY

Towards a new paradigm of worker autonomy or exploitation?

Tom Montgomery and Simone Baglioni

1. Introduction

The transformations of work evident in the global economy by the fusion of technological developments and global capital generate new patterns of work, which have disrupted long-established conceptual, legal, and common understandings of labour initiated in the early 1990s. The clearest indication of this disruption can be found when considering the diffusion of 'non-standard' employment which has reached an unprecedented levels through the shift of risk and responsibility from employers to employees. While traditionally the employer would share at least some of the cost of the employment relationship, in the new global economy of labour dominated by platforms (De Stefano, 2015) the employee becomes almost the sole bearer of risk and responsibility for her work (Crouch 2019). The new forms of employment that are labelled the 'gig economy' are a typical example of such a disruptive form of work: workers take orders/working tasks, salaries, and sometimes use work-related tools from companies which formally and legally do not employ them (Huws, 2017; Prassl, 2018; Wood et al., 2019).

A different understanding depicts jobs created in the gig economy as quintessential forms of worker empowerment as they promote self-employment and therefore are to be regarded as a form of 'regained' autonomy and control by workers over their working capacities. In sum, the gig economy is considered, on the one hand, to be the result of a long evolutionary path of transformation in capitalist society initiated in the early 1990s when policymakers and think tanks such as the OECD (1994) conceived the mantra of *labour market flexibility* to be the solution for unemployment (Standing, 1997). On the other hand, gig work is understood as a typical character of our post-modernity, matching individualism with technological innovation and changing patterns of mass consumption.

Confusion about what gig work implies for people's lives (in terms of income and well-being) and the consequences it generates for the future of all work, remains: many workers, trade unions and public agencies are yet to solve the challenges raised by the new phenomenon. Thus we can ask: who are those who see it simply as a new modality to increase people's

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economic potential via self-employment or self-entrepreneurship? Which actors instead consider the gig economy to simply be a new form of labour exploitation characterised by 'surveillance capitalism' (Zuboff, 2019) and algorithmic management? What could further regulation produce in this domain?

In this chapter, we discuss such issues by contrasting the opinions and experiences of trade unions, activists and policymakers in the UK, a country which has been pioneering in matching global capital with disruptive technology in an already advanced deregulated labour context.

Our starting point is that technological changes and their employment implications should not be understood in a vacuum. Instead, they are embedded within a broader context of labour market flexibility across various national contexts which has resulted in a decline in employment security, levels of pay that can sustain a decent standard of living as well as opportunities for development and progression (Pollert and Charlwood, 2009; Gallie 2017; Findlay et al., 2013; Kalleberg and Vallas, 2017). Although some research has suggested that the gig economy might provide new opportunities for those who are either unemployed or underemployed (Burtch et al., 2018), concerns relating to the low-earnings potential (De Stefano, 2015; Graham et al., 2017; Mishel, 2018) in these digital labour markets are mirrored by worries regarding the broader impact of the disruption that the gig economy might bring to longstanding employment rights for workers (Donini et al., 2017; Stewart and Stanford, 2017). For example, a study conducted for the European Parliament's Committee on Employment and Social Affairs has specifically linked the rise of platform work with precarity more broadly and recommends new policy initiatives to meet the challenges that these changes to the labour market will bring (Joyce et al., 2019). Moreover, further research conducted at the European level has suggested that what the gig economy may herald is not only an intensification of the processes of flexibilisation and individualisation of workers in contemporary labour markets but also the exacerbation of the polarisation (Goos and Manning, 2007) between good quality employment and poor-quality employment (DeGryse, 2016).

2. Methods

The discussion elaborated in this chapter is built upon a thematic analysis (Braun and Clarke, 2006) of findings from interview data collected as part of an international project investigating the gig economy and the role of social partners in this new world of work. We adopted a maximum variation sampling strategy and therefore elicited insights from a range of key individuals and organisations in the UK context. Our participants (n = 29) are experts from a range of organisations engaged in issues relating to the gig economy and its implications encompassing officials and organisers from trade unions, policymakers from central and devolved government, social economy organisations directly engaged in the issues of the gig economy for workers and indeed gig economy workers as well whose livelihoods depended on the platforms that were at the centre of their daily delivery work.

Our chapter takes the following structure: (1) first, we briefly outline a common challenge identified across existing studies in this field thus far, the actual definition of the gig economy; (2) we then look at the everyday experience of the gig economy and present an analysis of the phenomenon highlighting its most salient elements in terms of labour empowerment or exploitation; (3) finally, we bring together our findings in the form of conclusions regarding the gig economy and its impact on UK labour markets.

3. The gig economy: old wine in new bottles?

'*I'm a worker in the gig economy myself now as a retired person. I don't need trade union protection*'.
(Lord Mervyn King, former governor of the Bank of England 2003–2013, *BBC Newsnight*, 29 April 2019)

What this quote illustrates is how the very term 'gig economy' is one that has been used to categorise a broad spectrum of employment across several sectors. Although the use of 'gig' resonates immediately with the type of short-term, one-off jobs often associated with the creative industries, the term 'gig economy' has itself been a source of contestation (Brinkley, 2016; Vallas and Schor, 2020) with existing research and policymakers using it interchangeably with the 'sharing economy'. Nevertheless, there have been efforts, such as that by one UK government department, to rely upon a working definition of the gig economy that openly recognises that this work is task-based, it is short-term, and the exchange of labour and wages between workers and employers is mediated through a digital platform (Department for Business, Energy & Industrial Strategy, 2018). The search for definitional clarity reflects the pragmatic challenges that conceptual fuzziness can create when assessing the size and shape of the workforce that is operating in the UK gig economy. Research has indicated that around 4% of working adults in the UK are working in the 'gig economy' and that this is a growing segment of the workforce (CIPD, 2017; Huws et al., 2019). Adopting clearer definitions has also enabled the UK government – that is, the Department for Business, Energy and Industrial Strategy (BEIS) – to provide some further insight into this area of the economy. A report of findings from a BEIS study indicated that gig economy workers in the UK were primarily to be found in courier services (42%), followed by transport services (28%) and food delivery services (21%). There is however a clear gap for further systematic research on the size and composition of the UK gig economy.

Thus, on the one hand, the concept of the 'gig economy' is perceived as problematic, situated between the blurred boundaries of the app-driven technology that has fuelled the growth of platform companies and the broader dynamics of precarious work that reaches across different sectors, including those that are not nearly as impacted by the expansion of such technological changes in the same way. In the UK, as has been evident elsewhere, the issue of the employment status of the individual has been at the centre of contention regarding the debate around the implications for the workers involved (Bales et al., 2018; Duggan et al., 2020). More specifically, in the UK context, there has been a rapid rise in self-employment in recent years (Office for National Statistics, 2018) that has come under critical scrutiny for the insecurity and low pay that has often accompanied it (d'Arcy and Gardiner, 2014). On the other hand, there are those who have welcomed the rise in self-employment that has been associated with the emergence of the gig economy, particularly in Government, where these new forms of work are perceived as a break with traditional models of employment, exemplified by the following statement from the former UK Secretary of State for Work and Pensions:

> Just a few years ago the idea of a proper job meant a job that brings in a fixed monthly salary, with fixed hours, paid holidays, sick pay, a pension scheme and other contractual benefits. But the gig economy has changed all that. We've seen the rise of the everyday entrepreneur. People now own their time and control who receives their services and when. They can pick and mix their employers, their hours, their offices, their holiday patterns. This is one of the most significant developments in the labour market. The potential is huge and the change is exciting.
>
> (Green, 2016)

Hence, the UK government has understood the gig economy primarily as a new era, one in which capitalism and new technologies have connected to provide a new horizon of opportunities to workers happy to regain control over their (working) lives. Thus, there is a school of thought that this 'new' era in work patterns will leave workers free to choose when to work, for whom and to whom to provide a service or deploy their skills.

Another significant element of the gig economy is its connection with the development of cities and, more generally, urban centres as key actors of the new global capitalism (Sassen 1991; Brenner and Theodore, 2002). From this perspective, the city as a space for business and capital investment rather than one for social connection and cohesion has been instrumental to the development of the gig economy (Huws, 2020). It has furnished the gig economy not only with the human factor (manpower) and technological-network capacity it needs to operate but also the spirit of consumption which permeates our 24-hour life as consumers (Crary, 2013; Healy et al., 2020). This is reflected by some specific sub-sectors, such as the delivery chain for large online platforms and those sub-sectors in hospitality that form part of what some have described as the 'night-time economy' (Bianchini, 1995). Illustrating this latter dimension, one policymaker we interviewed in the local authority of a large UK city explained that their perception of the gig economy was inextricably linked to the 'night-time economy', which the local authority viewed as an essential stream of income for the city:

> One of the most visible indicators of the sector's recent boom is the number of cyclists on the road delivering on behalf of companies like Deliveroo and Uber Eats. Although this work has come to epitomise the Gig Economy, our council has limited involvement with workers in this sector, rather it is our close engagement with the broader night-time economy . . . we have made a strong commitment to this sector, as a thriving night-time economy is crucial to making the city an attractive place to work and live. It contributes to a vibrant city centre and promotes it as a desirable tourist destination. Each year, this sector generates over £2 billion and supporting over 16,000 jobs.
>
> (Interviewee 29)

This blurring of the boundaries between the specific practices and issues generated by employment in the gig economy and the wider economic picture serves as an indication of how the conceptualisation of the gig economy is not always straightforward. It is bound up by questions of relations between capital, space, and labour (Massey, 1995; Harvey, 2002).

Although the need to broaden our understanding of the gig economy was elicited from several interviewees who were consistently sceptical about the focus on technology, this was not universal. Actually, among interviewees, the specificity of the gig economy as a 'work style' typical of contemporary times was raised as a key issue in the debate on its definition. For example, one interviewee we spoke to from a social economy organisation with connections to the trade union movement was keen to emphasise that what we now know as the gig economy would be unimaginable without the development of smartphone technology across the previous decade (Morris and Murray, 2018). His view was that the role of technology and automation was crucial in understanding these new forms of work, and he believed that although these platforms could still be described as 'emergent' when placed in the context of the wider economy, they were growing.

Therefore, the concept of the gig economy as it currently stands is problematic on several fronts: it is being regarded by those in the UK working on issues of insecure work as obscuring the poor-quality employment that is proliferating using technology, while it is praised by others as a tool to reinvigorate the 'animal spirit' of capitalism. Nevertheless, for the purposes of this

chapter, we shall use it as a catch-all term, problematic as that is for now, and as we develop our analysis in the next stage, we shall sketch the outline of a new ontology that could be developed to better grasp the realities of the gig economy.

4. The everyday experience of the gig economy: labour dualisation and workers losing control

After having reviewed the different and sometimes divergent understandings of the gig economy in the UK context, we now turn our focus to key aspects of the gig economy *experience*. Our analysis elicited themes from our data that revealed the gig economy as a vector of further flexibilisation and precarisation of work. The critical issues which we highlight and discuss bring to the fore key insights which provide a clearer picture of what the gig economy entails in the UK. The following section is developed across these main findings:

I Work created in the gig sectors contributes towards strengthening the dualisation of the labour market by increasing the exposure of workers to insecurity.
II The employment relationships that are evident in the gig economy can exacerbate power asymmetries. Even though the employer does not only retain full control of the relationship, these 'new' forms of work shift the burden of the employment risk from the 'employer' to the worker;
III Contrary to the promised autonomy offered by the gig economy, the worker loses control over their work as the de facto 'employer' has the capacity to determine the worker's earnings potential and their working time by determining the amount of work available on any given day, which is also underpinned by new technologies of surveillance capitalism (Zuboff, 2019) and algorithmic management.

In the following sections, we discuss each aspect in more detail, drawing upon our interviews with various stakeholders, including gig workers themselves.

4.1 The gig economy as a contributor to further labour market dualisation

The dualisation of the labour market means that a section of the workforce benefits from standard forms of employment with their connected rights and benefits, while another section (primarily composed of young people and/or those low and medium-skilled workers) suffers from the lack of rights and benefits that come with non-standard forms of employment, is a well-known characteristic of post-modern societies (Allen and Henry, 1997). In part supported by the advent of the 'service economy' with its corollary of non-standard forms of employment, in part by the flexibility mantra highlighted earlier, the creation of a dual labour market where rights and working conditions differ substantially among workers appears to be accentuated by the gig economy.

For example, one trade union organiser involved in the gig economy explained to us that there was, in his experience, a clear disparity between the terms and conditions of those whose work involved precarious employment contracts and those in more standard forms of employment. For this trade unionist, the evidence of this disparity was reflected by the clear difference in the negotiations he had with established employers with secure employment on offer and the contrasting conditions found among those offering precarious work in the hospitality sector. Another interviewee, from a social economy organisation working on issues of

fair work, elaborated upon the growing polarisation of labour market opportunities (Pollert and Charlwood, 2009; Goos et al., 2009) and made explicit reference to the work of Standing (2011) by claiming that on the one hand there was a decline of what Standing refers to as the 'salariat' (those workers who still have long-term employment security and the benefits that usually come with such security) and a growth of the 'precariat' (workers whom Standing describes as a 'class-in-the-making' who navigate insecure, temporary, agency work or bogus self-employment).

This was mirrored in the views expressed by one interviewee who had been working to build connections between trade unions across the UK to meet the challenges posed by the gig economy and the technological change that was acting as a catalyst for some forms of exploitative work. She emphasised her fear that, given the growing polarisation in pay and labour market opportunities in the UK, there was a danger that a culture could trickle down from the top-earning strata:

> [I]t's a bit different if I can hire myself out for £500 per day – my experience of precarious work is then different. But we do have a fundamental similarity which is that the work and the responsibility for work and all of those things that are associated with it are pushed away from employers and sectors and industry and down onto the individuals themselves. And if you make it acceptable for the top, you make it acceptable for the bottom . . . we think that what's going to basically start happening is that you'll get a two-tier workforce where you'll have some people that are core employees, and then you'll get people that are on short, medium or long-term contracts or their services brought in via another company.
>
> (Interviewee 6)

One of our interviewees who was involved in policy development for the trade union movement expressed similar concerns about gig workers belonging to that 'segment' of the labour market where rights were curtailed compared to workers with standard forms of employment. She explained her frustration that gig workers were navigating an employment relationship which had very little security, and as such, this was creating problems for the trade union movement as such workers were very reluctant to engage in legal disputes that would offer the opportunity for them to assert their rights. The interviewee pointed out that although there were examples where trade unions could pursue legal avenues successfully, this did not always result in the potentially much broader impacts on working conditions in the economy because often when employers settled cases with the employee in question before it reached the stage of the employment tribunal, part of the compensation settlement can include a confidentiality clause. It was for this reason that the interviewee emphasised that to tackle the issues of the gig economy, it was crucial to focus on the statutory *enforcement* of employment rights as this, in her opinion, should not be left to individual workers.

The dualisation of the labour market created by the gig economy was also a consequence of what has been defined by our interviewees as a 'race to the bottom' in terms of pay and that there was always a fresh supply of younger workers who could be introduced to this 'new' world of work with the low pay and insecurity that accompanied it (Bessant et al., 2017). Revealingly, one interviewee from a social economy labour organisation explained that many who sought support from his organisation as self-employed freelancers quickly moved on to standard forms of employment whenever it became available because that was their primary goal. In other words, many workers were opting for non-standard employment (e.g. becoming involuntary self-employed) as a last resort and then immediately exiting self-employment

when the opportunity arose. The interviewee added that for those trapped in this form of self-employment, there was a risk of exposure to physical and mental health conditions, but also, these workers were often incredibly reluctant to speak about themselves as being trapped at all instead of presenting themselves as successful through fear of deterring potential clients:

> [T]here is the issue of the 'gameface' with self-employed people. If you or I did some qualitative questioning of people who are self-employed and said 'how's business' they would say 'brilliant, never been so busy!', because that's all they ever say. Because if you're self-employed, people don't want to do business with somebody who is struggling and finding it difficult. . . . They're bullshitting not just to their potential colleagues or customers, that gameface gets applied when they go home, gets applied when they're down the pub with their mates. It gets applied at every level where they are. So I would question whether being self-employed is such a fantastic trade off to be honest with you.
>
> (Interviewee 17)

Even among interviewees who were keen to clarify that there were some aspects of the gig economy that they believed were working for some people as an opportunity to enter the labour market, it was clear that there was a degree of scepticism, even apprehension about the potential long-term impacts of insecure work could generate in terms of physical and mental health. One example of this was illustrated by the view of a parliamentarian with a remit for scrutinising legislation relating to employment and the economy who expressed concern that work in the gig economy was leaving some workers with an incredibly uncertain view of the future:

> [W]e all know the pernicious effects of zero hours contracts and you could argue that is part of the gig economy but for some people it works . . . for the vast majority it's like having a sword over your head . . . my concern is about the person that's employed in this capacity. What security have they got? Not much. How do they plan ahead? Get a mortgage? Are they forced into the rental market because they can't get a mortgage?
>
> (Interviewee 13)

Another parliamentarian we interviewed also sought to distinguish between what she described as, on the one hand, 'exploitative' zero-hour contracts and, on the other hand, those zero-hour contracts that did suit the needs of some workers. Therefore, she explicitly stated her opposition to the idea of a wholesale ban on the use of zero-hour contracts. Nevertheless, this same interviewee made it clear that she believed that there needed to be a strengthening of rights for workers in the gig economy. She added that there were very fragile levels of support for gig economy workers, pointing specifically towards gaps in enforcing rights to sick pay. The interviewee argued that in contrast to the cost-cutting approaches undertaken by some gig economy businesses when it came to the quality of work they were offering, there was, in her view, clear evidence from those employers that had engaged with the idea of improving pay and conditions that it was not only better for the employee but also made sense for the business:

> [A]ctually, paying at least the living wage can be a way of reducing those costs, sickness, absence and recruitment costs, they are a huge cost to businesses.
>
> (Interviewee 14)

Although this politician quoted was of the view that one solution to some of the issues in the gig economy was encouraging businesses to pursue fairer work practices and was reluctant to call for a total ban on gig economy work facilitated through the use of zero-hour contracts, others were of the view that it was now necessary to bring forward legislation that eliminated such practices altogether. This was encapsulated in an interview with one Westminster based parliamentarian who claimed that gig economy practices were being used by employers to increase profits at the expense of workers' ability to earn enough to sustain a decent standard of living:

> [I]t's difficult to guard against exploitation in that context when you can always bid down labour, particularly when you have a reserve army of unemployed or underemployed that is unprecedented in the UK economy in recent years which is why wages have stagnated and living costs have stagnated. So clearly, we're in a situation where the reserve army of labour that exists in the economy is being used to drive down wages and increase exploitation. It is always that, 'well if you're not flexible enough to do something then I'll find someone who is', and there is always that implicit threat. So, in that context that's why we've said we'll be willing to ban zero-hour contracts because although that may be seen as a blunt instrument, generally the harm is greater than the benefit.
>
> (Interviewee 18)

Moreover, our discussions with stakeholders also indicated a sort of vicious circle in which gig jobs often appeal to those who are already experiencing a situation of vulnerability. For example, an interviewee, a parliamentarian with a remit for social security policy, was particularly concerned at the extent to which gig economy type work had become prevalent in the very poorest parts of his constituency, and as a consequence, poor quality work was being generated in already poor areas (Shildrick et al., 2012). This was a concern mirrored by another politician who was explicit in her view that as a consequence of the decline in incomes in her constituency, people were looking for more work to 'top up' the poor incomes they were receiving for their existing employment and as a consequence were increasingly turning to jobs that she characterised as the gig economy. The politician added that because of the deepening financial hardship experienced by her constituents who were finding that their pay was not covering their most basic needs, there was a re-emergence of loan sharks. She expressed her frustration that this reality of the gig economy on the ground was being completely missed by many policymakers because of the headline figures suggesting employment was at a record high in the UK:

> [W]e're at the stage now where politicians can talk about having practically full employment yet we're also seeing a massive increase in the amount of people relying on foodbanks, people in fuel poverty, a huge increase in child poverty and that just shows that there is this big issue around the gig economy.
>
> (Interviewee 15)

Therefore, although some policymakers have heralded the employment generated by the gig economy, we must reflect upon the actual quality of the work that is being created and where (geographically) it is being created (Findlay et al., 2013; Gallie, 2017). Moreover, if work, especially 'self-employed' work in the gig economy, is driven by necessity (Caliendo and Kritikos, 2019) rather than choice, then this raises significant questions regarding the supposed autonomy it brings.

4.2. Power asymmetries and workers' loss of control

One of the aspects which is most often praised by those who view the gig economy as a positive development is its capacity to foster workers' autonomy and control of their lives by deciding where to work, for whom, and for how long. But our examination of the gig economy in practice does not support such a view. For example, one dimension which we elicited from our interview data with the workers who participated in our study was the process through which companies organising the delivery of consumer items for platforms were engaged in a sustained effort to drive down the earnings of 'self-employed' drivers. One method of doing so was to use a review process through which workers would be informed of their new rate of earnings. This type of (frequent) review process and the effect it had on the earning potential of the drivers we interviewed played a key role in revealing to them just how exposed they were in contrast to those workers elsewhere in the labour market who were engaged in more standard employment contract relationships which came with accompanied protections:

> They just basically cut our rates [of pay] without us agreeing to it. They just changed our contracts. They did that right across the board . . . because we're self-employed we've not got any rights; we've not got union backing or union representation. So, they'll just come to us and they'll pick us off one by one and they'll cut our rate . . . they just constantly keep coming back and they want you doing more for less.
>
> (Interviewee 23)

Given that this experience was recounted by each of the drivers we interviewed and one that was echoed by interviewees from the trade union movement, it was clear that the promise of potential extra earnings to be made in the gig economy for these workers would often meet a much different reality.

For other interviewees, a key concern was the sense that workers were losing the voice necessary to enforce their employment rights across different sectors. This was articulated, for example, by one national-level organiser in the trade union movement who consistently emphasised the power asymmetries that were particularly growing among those occupations which had expanded in the public consciousness as being part of the gig economy. The organiser was adamant that technological change was being used as a cover for rolling back the working relationship between employers and employees to one that was more suited to the 19th century, not the 21st century. Emphasising the atomisation experienced by gig workers such as Uber drivers, the interviewee explained that he was increasingly concerned that the conditions being experienced by such workers were in danger of spreading to other parts of the labour market:

> I think one of the main effects that the gig economy has had is on wages and job security in the non-gig economy and is part of this wider loosening of the relationship between workers and the employer, through agencies . . . they're working in a building that's not owned by the person that directly employs them even though it looks like they're doing a job for them.
>
> (Interviewee 4)

This scepticism towards the positive hype surrounding self-employment in the UK that was partly fuelled by the rise of the gig economy was mirrored by other interviewees, including one executive from a large social economy organisation focused on issues of fair work. This interviewee expressed concerns that the impact of the gig economy was also leading to issues for

workers to gain access to secure housing tenancies, given that many did not have stable incomes and the growth in private landlords meant that there was a reluctance to take a risk on those workers who may not be able to afford the rent on the property in a few months. The interviewee was keen to dispel the notion that the gig economy represented freedom and control for workers. On the contrary,

> [i]t's not often their own work because if you're in the gig economy you don't have any choice. If you want work you have to come in as a freelancer . . . so you don't have a choice. If you want to work then that's what's on offer. So there is nothing romantic about it at all . . . there is so much profit to be made by giving people no guaranteed hours, no guaranteed workplace, having to provide their own vehicles or equipment, provide their own heating if they're working from home and all the risks such as insurance and the tax is all pushed on to freelancers.
>
> (Interviewee 27)

Moreover, despite the caution which some policymakers demonstrated in their critique of the new waves of self-employment that were emergent, interviews with those from the trade union movement revealed a much more deeply sceptical view of the growth of self-employment, especially regarding those who were solo self-employed and highlighted that it was not only pay that was the core issue for those engaged in the gig economy but how work was allocated with support from technology:

> Typically, you'll find that pay is not the overwhelming issue, its more about the erratic character of the job and at the bottom line quite often it is lack of control. Like we don't have any control over our scheduling, over our work. On a city-wide level, the number of people coming into work will obviously affect the price and they understand that it's that end of it rather than the pay end of it where they need to exert control.
>
> (Interviewee 2)

Indeed, across the drivers we spoke to there was a consistent theme that emerged which starkly contrasts with the notion that the gig economy was offering workers control. Instead, the 'flexibility' so often lauded as a key feature of gig economy employment seemed to rest almost entirely with the needs of the 'employer'. A number of the gig economy workers we interviewed spoke of the difficulties posed during 'peak periods' (e.g. Christmas and Easter) when there would be a spike in demand for more deliveries (emanating from spikes in online shopping) that would mean the companies would 'hire' more drivers to ensure they kept their own service level agreements with the large online platforms.

> I was asking them what are we going to do after Christmas, what are we going to do in January time? We've got all these guys . . . in October they started 35 new drivers! That's 35 guys they've got to find work for at this time of the year. So, I asked what's going to happen with all this extra staff after Christmas and his answer was 'I hope a lot of them leave!'. See when they've got all this extra staff, what it does do, is that they can treat people like shit and if they don't bow down to anything they say, they're out of the door. . . . [I]t also shows other people in the depot that they've got to do what they say or they'll send you home and people are getting scared.
>
> (Interviewee 21)

Problems, therefore, clearly emerged when the peak period declined, and the work then had to be distributed among a much larger pool of drivers whose pay depended on the number of parcels they could deliver. As such, the drivers were completely exposed to fluctuations in demand and were experiencing deeply unstable levels of earnings. However, as one driver pointed out, there was a trend in the past few years where earnings that could be made were steadily decreasing even when demand was high:

> It went steadily downhill. Last year in the peak period I was making £400 [per week]. This year's peak period I was lucky to make £200 in a week. The area that I'm delivering to right now is half of the allocated area I was given . . . my wage now that I'm earning, more than two years after I started contracting with them is lower per parcel and lower per week than I've ever earned.
>
> (Interviewee 22)

Of course, it could be argued that this exposure to supply and demand was one of the risks that accompany taking up self-employment and that this was balanced out by the fact that as 'suppliers' of delivery services, drivers could determine their own dates and times of when they wanted to work. However, the reality of this situation was also exposed through our interviews, where some drivers (and some union representatives we interviewed) revealed that the workers had very little control over their daily schedules. In stark contrast, most of the delivery drivers were now being guided by a 'rota system' that outlined their 'shifts' in much the same way as they would had they been employed directly. This posed particular challenges for the drivers, given that many of them and their colleagues were leasing vans and paying for insurance that they had planned to have on the road for at least five days a week, but now, the rota system had meant that some were working four-day weeks, earning less but with the same costs. One interviewee expressed frustration that the recent introduction of a rota system for drivers had left him in no doubt that he and his colleagues could no longer be defined as 'self-employed' in any meaningful sense:

> As far as I'm concerned, and I'm no expert, but I think that's them basically telling us we're employed . . . how can they say that we're self-employed but give us a rota on what days we are working?
>
> (Interviewee 21)

There was also a sense elicited from our interviews that drivers were persisting with the situation even though it had become something of a lost cause in terms of gaining or regaining some control in the employment relationship. Some of the drivers continued with work in the gig economy until it became no longer financially sustainable to do so:

> Everything is based on it's their way or no way, they'll tell you what to do and if you don't like it, you'll not be getting paid, you'll be up the road, you'll be out of a job. What they did with another boy recently, they wanted rid of him so what they did every day was just put him on a different route with 40 stops [deliveries], under his costs. Now people will be stubborn and say 'they'll not beat me' but there is only so long that it can go on that you're not making money and eat into your savings and that's it. That is the worst part of it, they claim you are not an employee yet . . . everything is determined by them, the time that you start, the days that you work, the days you don't work now, the amount you make because if you make more, they take it off you.
>
> (Interviewee 20)

> I've got a van sitting there, I've not got any work this week and nobody's even phoned me to see if I have got work next week. I can only take this for another week or two maximum and then I'm going to have to take the van back up and say there you go . . . I've got the costs and I've still got bills to pay.
>
> (Interviewee 25)

Therefore, despite the positive accentuation placed by some regarding the 'new' forms of work generated and sustained by online platforms and the wider gig economy, our findings indicate a need for a reassessment of any such optimism. Workers may indeed pursue greater control and autonomy through gig work. However, the reality on the ground elicited from our interviewees indicates a different everyday experience. This is shaped by a loss of control, an increased level of surveillance and relationships in the workplace represented by a shift in risk from employer to worker, all of which are underpinned by power asymmetries.

5. Conclusions

The debate around the impact of the gig economy can often fetishise the role of technology in disrupting specific sectors and sub-sectors of the economy and the transformations in employment opportunities that this disruption can bring. However, key questions arise when analysing the impact of the gig economy on the lives of workers. More specifically, a dual narrative surrounds the gig economy. On the one hand, there is a narrative that emphasises the autonomy that platform work can offer. This is a narrative that positions the changes found in the labour market as an opportunity for flexibility and, at the same time, liberation from the old standard forms of work where the role of the boss was clearly defined. On the other hand, a growing area of research on the gig economy is uncovering concerns that it may simply be a vehicle for old forms of exploitation which are obfuscated by technological innovation

In this chapter, we've begun with an encounter with the problem that discussing the gig economy with some of the key stakeholders involved in working, organising and regulating in this area raises fundamental challenges to our understanding of what we actually mean by the gig economy (Vallas and Schor, 2020). This initial reflection on defining the gig economy is an important dimension when we consider some of the implications it generates, particularly in terms of regulation going forward, including employment protections and their enforcement, all of which takes place in defined national legal contexts. Indeed, when we turned to the analysis of our findings, we discovered that the work being created in those sectors most associated with the gig economy is strengthening the dualisation of the labour market by increasing the exposure of workers to various forms of insecurity. Moreover, rather than being a vector of autonomy, we found that the employment relationships experienced by gig workers are marked by power asymmetries. This is most clearly indicated by the new wave of 'self-employment' that has emerged in the UK context in recent times. These employment relationships are thus reflective of a shift in risk towards the worker that is underpinned by new modes of surveillance and algorithmic management.

When we step back to consider some of the wider implications of our findings, we recognise that while some UK policymakers will be reluctant to cast any growth in employment (however insecure) in a negative light, there are potentially significant challenges in the future for economy and society if these forms of work continue to expand. For example, ensuring that effective adaptations are made to integrate those workers in the gig economy into the taxation and welfare system. These issues carry a double impact, with workers struggling to access the support they need to maintain a decent living standard on the one hand, and on the

other hand presenting a major challenge for policymakers in terms of tax take and the potential provisions that such workers, many of whom are low-paid, can make for their future pension contributions.

What our interviews reveal is that despite the role of technology in changing how some businesses and sectors operate, despite the changing trends in terms of employment status, at the fundament of the issues facing workers in the gig economy is the relationship between the worker and the owners of the companies. There are growing calls for better regulation in this area as well as growing forms of collective action to tackle the impact on workers. The success of these efforts will be crucial in determining the whether the future of work is shaped by autonomy or exploitation.

Appendix: list of interviewees

1. Trade unionist
2. Trade unionist
3. Trade unionist
4. Trade unionist
5. Trade unionist
6. Labour organisation
7. Trade unionist
8. Trade unionist
9. Trade unionist
10. Trade unionist
11. Labour organisation
12. Policymaker
13. Policymaker
14. Policymaker
15. Policymaker
16. Labour organisation
17. Labour organisation
18. Policymaker
19. Policymaker
20. Gig economy worker
21. Gig economy worker
22. Gig economy worker
23. Gig economy worker
24. Policymaker
25. Gig economy worker
26. Policymaker
27. Labour organisation
28. Policymaker
29. Policymaker

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19

PROP 22 AND LESSONS FOR GIG WORKERS ORGANISING AGAINST ALGORITHMIC MANAGEMENT

Robert Ovetz

1. Introduction

The passage of Proposition 22 in California on 3 November 2020 was a parting of the waters for gig worker organising not only in California but around the country. The ballot initiative Prop 22 was put on the state ballot by Uber and Lyft which spent $204 million to pass. Its passage quickly revoked the classification of gig workers as employees of the tech companies under the 2019 state AB5 law that extended the protections and benefits of labour law by classifying gig workers as employees, extended the protection of labour law, and made drivers eligible to unionise and strike.[1] While the passage and then repeal of AB5 has animated efforts to organise gig workers it has unfortunately offered a false choice (Dubal and Paul 2019) in the form of a question of whether online gig workers should be employees or 'independent contractors'.

What has been lost in the pivot to reform as a short cut to some of the benefits of union organising promises to impose legal accountability on the tech companies, without necessarily ensuring income stability and security, while allowing them to continue to impose unquestioned control over gig work itself. The catastrophic passage of Prop 22 has opened up the need for a strategic discussion about whether by 'ride-share' and food delivery gig workers[2] will continue to focus on further efforts at reform, negotiate labour management peace agreements, or continue organising for control over work. The answer to the question of strategy is inseparable from the gig companies use of apps for algorithmic management (Wood et al., 2019: 56, 61–2) that allows them to use digital tracking for the purpose of controlling, atomising, and dividing the workers (Heiland and Schaupp 2021: 140). Focusing on organising to demand employer accountability (Callaci 2018) while leaving the question of control unaddressed risks further defeats for gig worker organising.[3]

2. Prop 22

The passage of Prop 22 with 58% voting yes on the ballot initiative written by Uber, Lyft and other big tech companies was not merely a defeat at the ballot box, it was a defeat for shifting from gig worker self-organising that led to a global strike wave in 2019 to union-led advocacy

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and legislative reform as a shortcut to achieve the benefits of union organising without long-term commitment and work of organising. Prop 22 followed the passage of Assembly Bill 5 (AB5) by the California legislature in 2019. The bill had stalled until Ride-Share Drivers United (RDU), a self-organised independent union of ride-share gig workers, marched on the state capitol in Sacramento demanding the passage of the then stalled bill. Ride-Share Drivers United (RDU) followed the march with a strike of thousands of gig workers in California that spread to several other states and countries in Europe and Africa. The strike made its impact felt and the legislature soon passed the bill and it was signed into law on September 18th by Governor Gavin Newsom only two weeks after he publicly announced his support for the bill (Newsom 2019).

AB5 was considered a model piece of legislation that institutionalised what is commonly called the three-part test for workers to determine whether they are employees or independent contractors. The three-part test was used by the California state Supreme Court in the 2018 *Dynamex Operations West Inc. v. Superior Court of Los Angeles County* case to find the plaintiffs misclassified as independent contractors. Establishing that workers who primarily workers for a company engaged in labour related to its core business model were employees undermined the very business model of the gig companies. The ruling was so damaging to the companies' profitability that the CEO of Uber threatened a capital strike in California (Leon 2020) and the Yes on 22 campaign later threatening hundreds of thousands of layoffs and 'a permanent shutdown of services' if it didn't pass (Yes on 22 2020). It is estimated that reclassifying their workers as employers would cost Uber $4 billion a year (Gandel 2015).

AB5 went much further than the passage of laws extending sick leave to gig drivers in Oakland, San Francisco, San Jose, and Los Angeles and enshrined previous administrative law rulings. The California Employment Develop Department, which manages the unemployment insurance program, had earlier found gig drivers employees and eligible to receive benefits (Jacobs and Reich 2020). In June 2015, the California Labor Commission also ruled in Berwick v. Uber Technologies that a former Uber driver had been an employee although only awarded reimbursement for unpaid expenses while dismissing the wage claim (CRS 2017: 12). These rulings and cases were also preceded by previous two federal court cases Frederic v. Lyft in Florida in 2015, and O'Connor v. Uber Technologies filed by a class of drivers in California and Massachusetts in 2016 accompanied by 15 other cases (CRS 2017: 12–13).

Reclassifying gig workers as employees prevents the companies from avoiding paying the minimum wage, contributing the entitlement programs such as Medicare, Social Security and unemployment benefits, overtime, maintaining workers compensation insurance, providing family and medical leave, and abiding by federal and state worker safety, hour and wage laws not to mention ordinary employee benefits (CRS 2017: 14–16). AB5 was a direct hit on the very survival of the gig companies, which like the publicly traded Uber and Lyft, which had yet to post a profit and faced increasing pressure from shareholders and investors. California is still pursuing legal action against Uber and Lyft for $413 million in unpaid contributions to the state unemployment insurance fund between 2014–2019 (Jacobs and Reich 2020). Uber owes another $650 million to New Jersey for its unpaid unemployment fund contributions (Leon 2020). Massachusetts sued Uber and Lyft for misclassifying their workers in 2020 (Scheiber and Conger 2020).

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action against Uber and Lyft for $413 million in unpaid contributions to the state unemployment insurance fund between 2014–2019 (Jacobs and Reich 2020). Uber and Lyft reported in their initial public offering (IPO) prospectuses that they owe several states a combined $1.1 billion (about one-half of their total revenues in 2018) for unpaid contributions to federal entitlements, as well as unpaid wages, fines for wages and hour law violations, and other penalties.[4]

Under pressure from the tech companies, the governor then called for negotiation between gig worker groups and the rideshare companies to carve out exceptions that could be added as amendments in the next legislative session. When the companies' offer to allow for company unions with dues paid for a surcharges on customers was rejected by the gig worker groups, the companies proceeded to spend more than $224 million (*Los Angeles Times* November 13, 2020) qualifying Prop 22 for the ballot and flooding the state with propaganda to ensure its passage.

Soon after its defeat, Service Employees International Union, which set up Gig Workers Rising (GWR) and ran the AB5 lobbying and No on Prop 22 campaigns without disclosing itself as the employer of campaign staff,[5] filed suit in the state Supreme Court arguing that the new statute violated the state constitution in several ways. The plaintiffs argued that by prohibiting any amendments of the law by the legislature unless passed by an astoundingly high 7/8 supermajority vote prevents the legislature from carrying out its constitutional authority to make new labour law. The suit also charges that the initiative should be struck down as unconstitutional for dealing with more than one non-germane subject.

As a consequence, when Prop 22 qualified for the ballot and gained in the polls, SEIU and other unions decided to spend on about $13 million of the reported $19 million they had planned to use for a No on Prop 22 campaign to focus on a lawsuit in an attempt to have Prop 22 thrown out by the courts, a strategy that is still ongoing (Ross 2021). Prop 22 proved to curry favour with investors. The week after it passed Uber and Lyft's stock market value rose by $20 billion (Scheiber and Conger 2020).

Prop 22 is an extraordinary, if hardly unique, example of corporations buying their own law. Overturning AB5, Prop 22 essentially invents a third category of workers beyond employee and independent contractor, stranding the workers outside all labour law.

Despite the setback it is critically important to observe that the impetus for passing AB5 didn't come from advocacy and lobbying but self-organisation and strikes coordinated by RDU without any union backing or much money. RDU was launched 2017 and organised drivers with several protests at the Los Angeles airport, the second largest rideshare market in the United States, and a strike on 25 March 2019. RDU organised a 25-hour strike on 25 March 2019 strike against Uber and Lyft for pay rate cuts. It's 8 May strike went global, working with a global network of gig workers to launch a global day of protest and strikes on 8 May 2019 joined in the United States, Nigeria, Kenya, France, Scotland, Brazil, Australia in a total of ten cities on five continents (Dolber 2019) the day before the Uber's initial stock market IPO and about a month after Lyft's IPO. With gig workers in the streets and threatening the companies' survival, AB5 became a sensible intervention to stabilise the newly emerging sector.

3. Seattle and New York union U-turns

The success of Prop 22 launched threats of similar efforts in Congress and other states that wreaked fear among some unions and have resulted in back door labour union management peace agreements that that would enshrine the third legal category of work that are now under fire. Despite their unsuccessful effort to achieve a union-management peace agreement in

California, the companies in California the gig companies have more success in New York and Seattle.

A peace agreement was pursued in Connecticut until the AFL-CIO labour confederation put a stop to it. Another effort in 2021 in New York State involving the International Association of Machinists and Aerospace Workers (IAM)/Uber company union Independent Drivers Guild (IDG) to represent drivers, the Transport Workers Union (TWU) to represent delivery workers, and the Retail, Wholesale & Department Store Union (know of its catastrophic loss in the Bessemer Alabama Amazon warehouse organising campaign) was also abandoned after widespread condemnation (Eidelson and Penn 2021).[6]

Alongside the disruptive impact of strikes, established unions and non-profits such as the Worker Justice Project in New York have supplemented organising with other tactics. They have resorted to lawsuits, complaints to labour tribunals, courts, and regulators, and lobbying for regulations to improve the working conditions of workers, challenge the de-activation of workers from the app, and even the classification of workers as independent contractors. Some of these campaigns have been instructive in both what is possible under current conditions in which the neoliberal state continues to apply labour laws, previously introduced following previous waves of class struggle in the 1970s and 1930s, to impede, manage and de-escalate workers' struggles rather than intervene to tip the balance more in favour of workers.

With backing from the Taxi Driver's Alliance, gig workers in New York City carried out a disruptive campaign of street rallies, protests, lobbying, and strikes that eventually forced the city to pass several measures to improve gig worker pay in the city. Recent city laws established the right to a written contract when the gig work has a value of $800 or more (GAO 2017: 20), a $17.22 minimum wage by adding $5 to the average $11.90 gig worker wage to ensure drivers reached the $15 minimum wage in the city, a cap on the number of drivers, and the reporting of trip details including duration, cost, driver earnings, and company commission (Campbell 2018). The council also set a limit on the number of new drivers that can operate in the city. If gig workers were employees of a single company, the approximately 80,000 drivers would be the largest single workforce in the city. The company not only threatened to sue but defeated the reforms by restricting driver access to the app to avoid having to pay them for waiting and riding to and from a gig. This leaves drivers paid an average of 25 hours for every 40 hours they are working on the app (Sammon 2021; Leon 2020).

Such deals would delivering a semblance of accountability to the gig companies without organising the workers to have power to enforce them. Among other features, the New York agreement would allow the companies to decide which unions can contact workers, limits contact with workers to using company email only without any identifying information. The state Department of Labor would also determine which union could represent the workers and would be restricted to selecting among unions with experience organising gig workers in the previous five years which would exclude independent and smaller unions. It would put all gig workers in the sector into a single union if 10% of workers sign cards, workers are not allowed to elect their union or officers, and are limited to bargaining only over minimum earnings, deactivation appeals, and the contributions to a 'portable benefits fund' established by both the employer and union and run by an unaccountable non-profit. The union would be funded by a surcharge on customers rather than dues, not be subject to democratic control by workers, and be prohibited from striking, slowdowns, pickets, or taking any job action. Contracts would be signed for five years and workers would continue to be independent contractor exempt from labour law. The threshold to decertify the union would be much higher, requiring 30% to request the election and a majority to vote to decertify. The union would be funded by

surcharges paid by customers and generate a huge estimated $27.5 million per year in New York City alone (DeManuelle-Hall 2021; Andrias et al. 2021).

Such labour peace agreements are modelled on an existing deal between Uber and the International Association of Machinists in New York City following the passage of several city laws governing gig work that essentially did the same thing. The 'union', called the Independent Drivers Guild (IDG), has no power to bargain, sits on a toothless workers council with management, and has no independent power ordinarily associated with unions. In fact, it's so weak IDG's president pleaded with the city to pass these laws because it 'has no voice' and is powerless to even enforce the terms of the agreement (Brooks 2016).

In some places organising has been sacrificed to local reforms and negotiate peace agreements. In Seattle gig drivers were organised by the Teamsters affiliated App-Based Drivers Association union alongside Instacart workers organised in the independent Gig Workers Collective (Levinson 2020), supported in Washington state by the union-backed Working Washington. Instacart worker organisers met drivers in supermarkets and building an app that allows workers to calculate their pay and provides them opportunities to get involved, a social media campaign and petition that allowed workers to expose the company's theft of tips (Covert 2020).

The Seattle City Council has implemented a number of protections and benefits for gig workers, such as allowing drivers to collectively bargain in 2015, in response to organising campaigns by Uber and Instacart, as well as DoorDash workers. In August 2018, the Ninth Circuit Court of Appeals upheld the city's collective bargaining law because independent contractors are not covered by federal labour law. In exchange for dropping the lawsuit, the city council negotiated the so-called Fare Share Plan with Uber and the US Chamber of Commerce. The city then passed laws granting premium pay, a mileage payment rate that considers wait time to ensure drivers are paid the city's $16.39 per hour minimum wage, temporary 'paid sick and safe time' during the pandemic, and watered down the 2015 law by removing wages from bargaining (Nickelsburg 2020; Marchese, no date).

4. Global struggles

The efforts in California, New York, and Seattle have come in a flurry of global recomposition of gig worker power. In India, Belgium, Spain, Canada, Brazil, Ecuador, UK, India, Italy, Ecuador, France, Brazil, South Africa, China, and Germany, gig workers have been self-organising and striking by setting up their own unions or with support from autonomous and mainstream militant unions. 34 autonomous unions from 12 countries joined together in 2018 to form the Transnational Federation of Couriers to coordinate their struggles across borders (Notes From Below 2018; Woodcock and Graham 2020: 97). In the UK Deliveroo workers (Cant 2020; Cant and Woodcock 2021: 256–268) carried out workers' inquiries into algorithmically managed work to devise and share tactics and strategies to find choke points, weaknesses, and vulnerabilities they can exploit to shift the balance of power. In some countries, their organising and strikes have compelled reform, union recognition and bargaining, pay increases and changes to working conditions.

In 2019 Foodora workers, backed by the Canadian Union of Postal Workers, organised and struck the German-based company, eventually winning a ruling by the Ontario Labor Relations Board in 2020 that the workers were misclassified as independent contractors (Doorey 2020; Hustled 2020; Straight 2021). Organising using traditional one on one organising and digital water cooler tactics (Garneau 2019). One month later, the company announced it was disinvesting from Canada.

Perhaps the most progress to translate the struggle in the virtual workplace into labour law reforms has come in the EU and UK. Following a nationwide gig worker strike, three Italian unions won a case at an Italian labour court in early 2021. The court ruled that Deliveroo's algorithm discriminated against a worker for taking time off from work (Wray January 8, 2021). The company was fined and required to publish the court ruling on its website. This case and another brought in the Netherlands by the UK App Drivers & Couriers Union of Uber drivers obtained court-mandated access to the Uber and Ola Cabs algorithm (Chan 2021; Wray April 15, 2021). Mainstream unions in Bologna, Italy, and Germany have joined the European Trade Union Confederation to engage in 'social dialogue' (the European version of union-management peace agreements) with the gig companies and local governments, signing dubious voluntary codes of conduct with gig companies (Vandaele 2018: 16, 23; Garben 2017: 69).

Following gig worker protests in March and a Supreme Court ruling that food delivery drivers were employees and not self-employed, the Spanish parliament passed a law that went further than any other reform to date. The new law not only enshrines the court ruling but requires the companies disclose their algorithms to protect against disciplining of workers (AP 2021).

Soon after the first large-scaled strike of UK gig drivers in 2018, two gig workers with the independent App Drivers and Couriers Union (ADCU), then affiliated with IWGB, and the Workers Info Exchange won their five-year lawsuit against Uber for misclassifying them as independent contractors in the UK Supreme Court in 2020. Winning first at the employment tribunal and then in two appeals courts, they won an unanimous decision upholding the tribunal's original finding that the drivers were workers from the time they logged on until they logged off. Following the ruling in the case Uber BV v. Aslam, the company pledged to abide by the ruling by classifying the workers as employees entitling them to the benefits and protections of UK labour law (Chan 2021).

5. Strategic dead end

Like the Dynamex ruling, AB5, the UK and the EU court rulings are being held up as strategic models for improving the conditions of gig workers. But are they really improvements? Has the shift from worker organising for power in the workplace to lobbying for a voice in the legislature and civil damages in court adequately met the needs of gig workers? Answering these questions requires looking at gig worker organising at two levels: how to target gig companies and the risks of reform without worker power.

The narrow focus on whether gig workers are independent contractors or employees illustrates a key problem with the current strategy of advocacy and lobbying. Using union-management peace agreements to improve the conditions of gig workers as independent contractors or forcing employers to correctly classify them as employees and thus bring them under the protection of labour law address only one side of the problem.

If the gig companies' management strategy is to profit from their *control* of gig workers without being *accountable* to them (Vaheesan 2020), then efforts to use reform to extend accountability are a strategic dead end. Focusing only on expanding accountability as it pertains to wages, benefits, hours, and safety while almost entirely abandoning the other side of control over work will deliver short-term gains at the expense of long-term defeat. The neoliberal age was ushered in by nearly identical wage-productivity deals in the auto and port sectors in which powerful unions abandoned bargaining over control in exchange for wages that rose along with productivity. Without control, management ushered in new technologies and outsourcing that undermined higher wages for a shrinking workforce.

The same strategy is again being attempted in the gig sector. Even if they become employees or negotiate higher wages the app is left firmly in charge. The strategy of accountability will not change the material conditions of gig workers whose work is still managed by the companies using the algorithm because it excludes workers from having any say over it (Vandaele 2018: 9; Dubal and Paul 2019). This strategy leaves workers without any control over how they are paid, how much, and for what portion of their work time, and their wages will remain obscured and changed unilaterally by the company. Workers will have no say over the intensity of their work, the times they work, and the massive data collected about their work and life through dataveillance (van Dijck, 2014, 198). The reason is that the companies retain absolute control through their algorithm-driven app that uses data to automate the assessment, evaluation, and control of their work (Wood et al., 2019: 61–2, 64). McCallum (2021) aptly calls this management strategy 'rule by data', rightly concluding that '[t]he steady growth of the employee surveillance state means that management has mostly been getting its way'. The singular focus on accountability will ensure it continues to get its way indefinitely.

Although there is no doubt that making gig workers employees would vastly improve their lives by allowing them to legally organise a union and collectively bargain, raise their wages, and be protected by occupational health and safety laws, accountability is hardly a panacea. Along with labour law protections and a contract come obligations and legal limitations on workers' and their unions' ability to act with other workers to take collective action, negotiate over prohibited issues, and struggle over issues beyond their own particular work place, employer, and industrial sector. Because labour law and contracts are legally binding on both employers and workers they can be used by the state, employers, and even unions to discipline, dampen, and constrain workers self-activity.

In many US states, even where collective bargaining is allowed, workers are prohibited from negotiating over work control issues such as work hours, scheduling, hiring, firing, productivity, what is produced, and discipline. Even when these are allowed in bargaining, unions commonly bargain away control issues for higher wages and benefits, which are cancelled out when higher productivity is factored in.

In other words, the focus on only accountability is exactly what's wrong with the global labour movement and unions. It's no accident that the string of defeats over the past four decades has corresponded with the harnessing self-organised worker struggles to the contract, union discipline, and labour law. Making gig companies more accountable to gig workers will make the workers' lives better in the short term but at the expense of the companies continuing to control them using ubiquitous and invasive forms of algorithmic management to fragment their labour into its component tasks in order to better control, monitor, track, and evaluate their every motion and action both at work and away from work.

6. Algorithms for all

The current focus of much of union-led gig worker advocacy using the legislature and courts has been to make gig workers normal employees while also normalising the very technology that controls their work. Why should we be concerned with this? Algorithmic management technologies are not unique to this sector but have become engineer Frederick Taylor's digital stopwatch. Algorithmic management is spreading like a virus into all areas of work and life, from gig workers to Amazon delivery and warehouse workers, nurses, lawyers, and precarious professors like myself. The outcome of gig worker organising struggles over control of their work has implications that affect all of us. Organising to regularise their work, while it may result in short-term gains, will result in a long-term defeat for the entire working class.

This has not escaped gig worker organisers. James Farrar, founder of the Worker Info Exchange and cofounder of the ADCU with Yaseen Aslam, the two co-plaintiffs of the UK Supreme Court case, aptly noted that the next terrain of their struggle is over access to and control of the algorithm itself. Workers should control the data collected about their work, how it is used, stored and shared, and how it is used to discipline and control their work. Data control, transparency, and ownership are critical for workers to develop tactical forms of defiance and intransigence to defeat the algorithm as a strategy of control.

Farrar observes that the struggle over algorithmic control is critical to the strategy of gig worker struggles. 'These apps guide our behavior through incentives and punishment. If they do it through electronic nudges, then they don't need to say it. And if you don't get the message, that's okay – you'll just starve. It's an expression of management practice and control, which means there is an employment relationship. So it is very important for us to reveal that algorithmic control' (Chan 2021). Farrar points to using the 2018 UK Data Protection Act that, much like the EU General Data Protection Regulation, gives workers not only access to the data collected by the companies but also access to the algorithm for workers to understand how automated decisions are used to evaluate, discipline, and control their labour. These rights, he says, 'give me the right to stop the machine' (Chan 2021) Woodcock and Graham (2020: 146–51) offer the text for a Draft Convention on Platform Work that would enshrine such rights to access and control the data, worker privacy, and express and informed consent to its use.

The other problem with the current focus on advocacy and lobbying is that it shifts the terrain of struggle from the struggle over work to the struggle over law and policy. The power to disrupt work and withhold their labour provides workers with their most effective form of power in the workplace, virtual or otherwise. Once they leave the workplace to fight on the terrain of representative democracy, they are immediately at an unsurmountable disadvantage as corporations can unleash their flood of money to buy and shape laws, regulations, and court rulings and, failing that, make laws directly by initiative as with Prop 22. Even in instances where the legislature, regulators, or courts come down on the side of workers, these short-term gains can immediately be sabotaged, delayed, defied, or transmogrified into their complete opposite. The history of labour and other social movements is replete with the phenomenon of winning the battle but losing the war. Death by a thousand cuts approach has transformed labour law from a sword for workers to a shield for capital.

We don't need to venture far to see this process of roadblocks and impediments enshrined in Prop 22. The gig companies continue to refuse to comply with AB5 mandates they make their statutorily required contributions. Even after conceding defeat in the UK, Uber merely changed the definition of when the workers were actually employees from to the much more limited time from accepting the passenger to when they complete the ride resulting in the workers losing pay for 40–50% of their time waiting for gigs. Contesting their obvious attempt to sabotage the authority of the court will be costly and time-consuming. The companies can also retaliate with a capital strike, such as Foodora, did simply disinvesting from Canada to avoid the ruling of a provincial labour court. If such spatial fixes are not possible, then Uber's effort to rush self-driving cars to market demonstrates that they are also pursuing technological fixes to the class struggle as well (Silver 2003).

7. Self-organised struggle

Reclassifying gig workers as employees will likely raise wages and grow union membership, but it will not delay the next round of class struggle over who controls gig workers' labour. To shift back or maintain the focus on the control side of gig work, gig workers are managing to

continue asserting their self-organised models of struggle, such as the planned July 2021 RDU strike.

The mainstream unions such as the TWU, SEIU, IAM, and others to overcome the 'slow and difficult' (Eidelson and Penn 2021) effort of sustaining commitment by workers dispersed across geographical space in isolation from one another and controlled by an AI-driven app with shortcuts is not effective. Simply classifying gig workers as employees might offset declining membership, but it will not be 'a potentially transformative reinvigoration of the labor movement' (Leon 2020). Merely making gig workers eligible for membership in a union that collectively bargain and covered by labour law will not in itself substantially change the facts of their exploitation.

Organising gig workers requires distinguishing between the words and actions of the 26% of gig workers who see themselves as employees of the companies and are less willing to engage in collective action (Smith 2016: 15; Vandaele 2018: 11). By focusing on action, researchers found large numbers of non-union workers engaged in worker organising in the countries they studied (Woodcock and Graham 2020: 98–99). It is insufficient to limit the focus to associative, discursive, or institutional power (Vandaele 2018: 16) while overlooking structural and disruptive forms of power. Rather than being channelled into failed organising models, gig workers are adapting their tactics and strategies to address the conditions of their work to find new ways to connect and take collective action.

One of the most impressive efforts of self-organising can be seen in the Deliveroo and food delivery rider strikes in Belgium, Germany, Spain, France, Italy, the Netherlands, Hong Kong, South Africa, and India beginning in 2016. Cant (2020) counted 41 strike actions over 18 months between 2016–2017 involving 1,493 workers in these countries. With assistance from independent militant unions like the IWGB in the UK, Deliveroo worker organisers engaged in workers' inquiries to reverse engineer the algorithm to identify new tactics and strategies for organising to undermine and defeat algorithmic management strategies.

For example, Deliveroo and other food delivery workers organising around issues of low pay, unsafe working conditions, stolen bikes, and the lack of bathrooms find ways to overcome the fragmentation built into algorithmic management by connecting with other riders outside key pick up spots and nearby parks where they meet and share phone numbers, coordinate actions, distribute paper newsletters, and develop relationships that lead workers to engage in offline and online forms of collective action and mutual aid on WhatsApp, forums, chat rooms, and even mass de-activation from the apps as strike action at critical times when demand is high (Cant 2020; Woodcock and Graham 2020; Chan 2021). Storefronts and parks where large numbers of workers are mapped out for purposes of organising, becoming 'a stand-in for a more traditional workplace' (Woodcock and Graham 2020: 95) determined by the algorithm allowing workers to build in-person 'cultures of solidarity' (Heiland and Schaupp 2021: 144).

In coordination with other self-organised unions in Europe, Deliveroo undertook public strikes by refusing to log on at times of peak demand, blocked popular restaurants, and filled the streets with moving festivals on wheels. Organisers used Web 2.0 tools as 'virtual watercooler' (Rosenblat 2018: 14; Maffie 2020: 140) combined with established tactics of in-person one-on-one meetings and newsletters to overcome the atomisation of algorithmic management strategies (Heiland and Schaupp 2021: 146).

Gig drivers as well have coordinated their struggles across borders forming the International Alliance of App-Based Transport Workers (IAATW) in 2020 with a representation of unions in 23 countries on five continents (IAATW 2021). Such cross border networks and federations of independent unions recognise the global reach of the app companies, investors, and

the influence of the business model and are adapting their tactics to take interconnected local actions on a global scale to amplify their disruptive impact (Vandaele 2018: 12, 21).

Similar tactics and strategies are being devised by Los Deliveristas Unidos (United Delivery Drivers), self-organised gig workers in New York City (Leon 2021). With backing from 32BJ SEIU and the Workers Justice Project (WJP), immigrant riders, some of whom are related, from Guatemala and Mexico are organising in local parks, at soccer games, and at key pick up spots and resting areas where riders take breaks (Aponte and Velasquez 2020) while connecting on line using WhatsApp. They engaged in mutual aid by mapping available bathrooms for riders to use and parks to meet and organise. Using their shared language and ethnicity to build a network of organisers, they have organised strikes, rolling protests, and marches on city government to win access to bathrooms for 'the simple right to piss' and more police investigations into stolen e-bikes. Their organising provoked a response from DoorDash, which arranged for 200 restaurants to provide bathroom access. While a small number of the restaurants served by the riders, it demonstrated their power to move a multinational company through organising, issue framing, and media-savvy.

As WJP recognised, the organisation began supporting these workers after they had already self-organised. 'They've put in a ton of the work already, when we began working together they were already fired up politically, with a list of demands and everything. It's almost, like, they're already organized' (Aponte and Velasquez 2020). Rather than manufacture a campaign and focus it on the tactics and strategies that meet the prerogatives of union leadership, the Deliveroo and NYC gig workers first self-organised and then sought the support of existing unions and worker organising non-profits to amplify the campaigns they launched while maintaining control over crucial decisions of tactics, strategies, and objectives.

What is also impressive about these campaigns is that they undertook their own workers' inquiries into the technical composition of the tech companies' use of algorithmic management to control and exploit their labour, understand how the app was used to segment and stratify the workers, and then use what they learned to identify tactics and strategies to organise fellow gig workers to apply pressure at critical points of vulnerability where they could choke operations and extract concessions (Ovetz 2020: 1–42). For example, Deliveroo workers realised that riders were divided by ethnicity and immigration status, which also corresponded with whether they rode bikes or mopeds. Although they attempted to apply more focus on reaching the mostly immigrant moped riders, they were less successful at initially recruiting them to take strike action because they were also more likely to be the main earners for their families and found collective action too risky.

This is an identical model used successfully by RDU in California. RDU began in 2017 by organising drivers at designated waiting areas at Los Angeles International Airport (LAX) for ride-hailing car services. As large numbers of drivers congregated in these lots, they came to build a community of workers who engaged in mutual aid and designed tactics to defeat the algorithm so that 'the airport's waiting lot fostered the makings of collective worker power' (Wells et al. 2020: 11). Ultimately, they found that reaching large numbers of these majority people of colour and immigrant drivers depended on worker organisers building networks outwardly from committed workers.

RDU spent about $3,200 to organise the 2019 strikes, buying targeted social media advertising, building an app for tracking organising, phone calls, texts, and in-person meetings to identify drivers who were uninvolved, supporters, activists, or potential organisers (Dolber 2019: 11–16). It ran the campaign out of offices donated by the labour council, a labour back group and the UCLA Labor Center. Over the course of four months from 2018 to 2019, they recruited and trained an organising committee and doubled their membership with nearly

1,150 new members to organise two strikes and expand with two new chapters in San Diego and San Francisco.

Although RDU didn't win its demands, its protests and strikes began to self-recruit new drivers to join. According to Dolber, who was involved in the organising campaign, 'RDU's production of a media spectacle influenced investor behaviour. RDU demonstrated that gig worker organizations can exercise considerable power over gig companies through strategic collective action' (Dolber 2019: 15). The strike certainly got Uber and Lyft's attention, both of which warned of the risk of unionisations, strikes, and other forms of collective action in both prospectus filings for their IPOs. According to Ivan Pardo, who designed the app used in the campaign and was a key organiser, RDU's 'primary power is people power by having thousands of drivers supporting us by going on strike or making noise somewhere else' (interview, 21 May 2021).

The app was a critical tool for their organising. Worker organisers used it to carry out a workers' inquiry, collect contact information, and communicate directly using social media. Establishing their own 'mass self-communication network' (Wood 2015: 260) was critical to counter and drown out the daily push alerts Uber sends to drivers that must be swiped away to log into the app and begin working. According to Dolber (2019: 16), RDU's use of online and in-person organising provided an organising model that 'can help overcome the obstacles endemic to building a democratic organization of a massive, unidentified, disaggregated, and fluid workforce that can exercise real power' (Dolber 2019: 17). RDU received temporary backing from TWU in late 2019 to fund the social media ads and help with the AB5 lobbying campaign. RDU later worked in a tense coalition with the SEIU backed Gig Workers Rising in the unsuccessful No on Prop 22 campaign (unidentified author interview, 1 June 2021).

The experiences of RDU and Los Deliveristas Unidos in the United States and the IWGB Deliveroo and ARCU workers in the UK demonstrate a vast capacity of workers to self-organise and unionise despite lack of status as employees and exclusion from labour law protections. With sufficient positional, strategic and disruptive power, workers who self-organise as an independent union, even when it is illegal to do so under threat of sanction under US anti-trust law (Dubal 2019), have moved city, provincial, state and national governments to change their legal classification. This demonstrates that self-organised workers' struggles drive changes in the law and policy not the other way around as is commonly assumed (Ovetz 2019: 147, 345).

8. Self-driving organising

With anywhere between about 16 and 51% of the US workforce identified as independent contractors or contingent (Katz and Krueger 2016: 2; CRS 2017: 6–9), with the number working through app-based work estimated to be 34 to 40% and growing rapidly (GAO 2017; Bose 2021), the stakes of gig worker struggle are extremely high.[7] What happens in this sector will drive the continued reorganisation of work across every sector as algorithmic management expands in use and imposes a new capital composition. There are several lessons to be learned from the Prop 22 defeat.

First, despite being limited in scope and locally focused, gig worker organising has knocked the companies back on their heels. AB5 and other similar reform efforts, such as the stalled PRO Act, are a direct hit to the very survival of the gig companies, like the publicly traded Uber and Lyft, which had yet to post a profit and faced increasing pressure from shareholders and investors. In fact, both Uber and Lyft warned of several risks from new laws, court rulings, and regulations. Echoing Uber, Lyft warned potential IPO investors that 'a wide range of laws and regulations . . . could harm our business, financial condition and results of operations'. Despite

their efforts to fight such reforms, 'We continue to maintain that drivers on our platform are independent contractors in such legal and administrative proceedings, but our arguments may ultimately be unsuccessful. A determination in, or settlement of, any legal proceeding, whether we are party to such legal proceeding or not, that classifies a driver of a ride-sharing platform as an employee, could harm our business, financial condition and results of operations' (Lyft 2019: 28–9; see also Uber 2019: 28).

Among these risks are 'claims under laws pertaining to unionizing, collective bargaining and other concerted activity' (Lyft 2019: 28). Uber's list of risks is even more explicit, even identifying the threat of *international* worker organising related to 'difficulties in managing, growing, and staffing international operations, including in countries in which foreign employees may become part of labour unions, employee representative bodies, or collective bargaining agreements, and challenges relating to work stoppages or slowdowns' such as in India, the US, and the UK, where '[s]uch protests have resulted, and any future protests may result, in interruptions to our business' as well as growing '[d]river dissatisfaction' (Uber 2019: 30, 35). Uber also lost hundreds of thousands of app users due to the 2017 #DeleteUber campaign after the company kept serving the airports during nationwide protests against the Trump 'Muslim ban' that shut down a number of international airports and a 'high degree of negative media coverage around the world' for various internal scandals including sexual assault and harassment (Uber 2019: 29–31).

Second, the successes achieved by gig workers have been achieved by gig worker self-organisation. Their ability to reverse engineer changes to apps to devise new tactics and strategies to defeat and sabotage corporate strategies have many lessons for works facing algorithmic management elsewhere (Bronowicka and Ivanova 2021: 153–156). While their victories have been localised and small scale, they have successfully used these small victories to establish their credibility to other uncommitted drivers and bring them into organising to win concessions against giant multinational tech companies. For example, Deliveroo and Foodora workers in several German cities self-organised elected workers councils allowed under law with support from the FAU and NGG unions in 2018–2019. This tactic was so threatening to Deliveroo that it retaliated by changing all its contract workers to self-employed (Heiland and Schaupp 2021: 145).

Third, the involvement of small militant unions and workers organising non-profits has played a constructive role when they allow the workers to lead rather than steer or use their members as a source of dues. They proved most valuable when providing organising expertise and resources to facilitate the building of local, national, and global networks in other cities, regions, states and even countries to take simultaneous action and amplify the impact of their strikes.

Lastly, the strategy of attempting to codify their small victories in the form of state and local laws and rulings by labour and courts has had mixed results at best. Such reforms have categorically improved the working conditions and pay of gig workers in the short term but present two long-term risks and dangers.

The first risk is that gig workers are disempowered at work where their strength lies. Because a disproportionate number of gig workers are low waged, work long hours or for multiple apps, immigrants, and people of colour, they are forced to fight on a terrain in which they are severely disadvantaged to achieve, defend, and expand these reforms. As a result, self-organised gig worker struggles have either been harnessed, usurped or redirected away from organising for power which provided the very required leverage to achieve these reforms. Many of these unions have very different incompatible tactics, strategies, and objectives. TWU, SEIU, and IAM's focus on engaging in advocacy rather than organising campaigns with the objective of expanding their ranks of dues-paying members. When that fails, those resources and the membership are channelled away from the workplace struggle into campaigns to win through

establishment politics what they cannot or have failed to win at work. When this strategy provides unsuccessful, they pivot to sweetheart deals with employers to 'recognise' them as the primary bargaining agent in exchange for 'non-interference' and coalitional efforts to lobby local and state governments to expand subsidies for the sector or look the other way on regulation infractions.

The second risk is that regulatory and judicial victories can be turned into the means of defeat for the workers. This can be seen in the final days before AB5 passed when Governor Newsom facilitated an effort of the unions to settle with the gig companies on amendments to the law while leaving groups like RDU out in the cold. Similarly, after Foodora workers won at the labour tribunal in Canada, the company launched a capital strike by disinvesting in the entire country and laid off the workers. The passage of the New York City laws was followed by the IAM collaborating with Uber to set up a company union. In Seattle, the city settled a lawsuit it was winning in exchange for gutting the law. Following the victory at the UK Supreme Court, Uber proceeded to change the definition of an employee and entered into a recognition agreement with the GMB Union opposed by the independent ADCU (ADCU 2021).

Relying on judicial, legislative and regulatory reform means placing workers' power into the hands of elected and appointed officials whose interests lie with the companies rather than the workers. Whether it be changing the classification of gig workers to employees in the United States or enforcing EU treaty law to create a 'rebuttal presumption of employment' (Garben 2021), such regulatory changes do not alter the fundamental balance of power on the virtual shop floor. According to Garben, although some countries like France have rejected creating a new classification of worker and instead passed a law in 2016 granting gig workers the right to organise, take collective action, and receive social protections, most EU countries have relied on court rulings creating patchwork quilt that can just as easily be undone (Garben 2017: 31–32 and 89).

Relying on government officials brings with it all the dangers of the revolving door. My interview respondents all noted the support of the California Assemblywoman Lorena Gonzalez, who sponsored AB5. There has also been much celebration of President Biden's new Secretary of Labor Marty Walsh, a former building and construction trades council union official, and David Weil as the appointee to head the department's Wage and Hours Division, his second stint in the position, for declaring that gig workers should be considered employees. Expectations for Weil are high following his first term when he issued a directive classifying most gig workers as employees (Penn et al. 2021). But that directive was just as easily reversed by the Trump administration.

9. Turning victory into defeat

Despite the resounding victory for the gig companies passing Prop 22, they still find themselves threatened by the lack of willing workers, 2/3 of whom quit within six months (Dubal and Paul 2019). This forced Uber to spend $250 million in higher incentives and guarantees to ensnare new unsuspecting drivers in spring 2021 while also reportedly raising rates for customers facing longer wait times (Sonnemaker 2021).

The companies are loading up on political influence to counter the threat of workers disruptive action. The Biden Administration is loaded with gig company fellow travellers including the brother-in-law of Vice President Harris' husband who is Uber's chief legal officer. President Biden's deputy assistant for labour and the economy Seth Harris wrote a paper for the industry advocating for a third classification of work that became the exact legal basis for Prop 22. Harris

is former counsel to Labor Secretary Robert Reich during the Clinton Administration (Sammon 2021). National Security adviser Jake Sullivan worked as a consultant for Uber during negotiations to amend AB5 discussed earlier (Penn 2021). The companies are also packed with former Obama Administration officials such as former Secretary of Transportation Anthony Foxx at Lyft (AFL-CIO 2019). Uber also employs President Obama's former White House Deputy Chief of Staff Jim Messina and Campaign Director David Plouffe (Woodcock and Graham 2020: 48–49).

Ultimately, despite the regulatory clawback the companies have been unable to escape their reliance on workers to generate their profits, a demonstration that despite the new algorithmic management strategy for controlling labour workers still retain the power and leverage over the companies by disruption and the withdrawal of their labour. As Rosenblatt succinctly noted, 'They control many aspects of how [workers] do their job, and that control is indirect. Is it not clear that the app is your boss, or the algorithm is in control' (Rosenblat 2018).

The Canadian Labour Committee Socialist Project (2021) observed is at stake in gig workers struggles against the app companies. 'Uber is the stalking horse for a new – if in other senses really old – form of undermining worker organization and union independence. Obscured by appeals to the desire for flexibility, false independence and the "inevitability" of digital platforms, the reality reflects more traditional goals of corporations and employers: low wages, no worker control over their jobs, job insecurity, work intensification, and no ability to collectively organise to resist. This is not the future we want for ourselves, our children, our neighbors and their kids, and all those who sell their labour-power to make a living'.

Without firm commitments by unions in the sector gig worker organising has the advantage of what I call 'no union, no contract, no rules' (Ovetz 2019: 557; Ovetz 2020: 26; Woodcock and Graham 2020: 96). The hesitation of local, state, and federal officials to declare gig worker organising as a violation of anti-trust law has already transformed gig workers into *de facto* employees even as they remain *de jure* independent contractors. This gives immense advantage to workers who can take job and strike action and engage in solidarity ('secondary' in labour law) strikes without legal sanction. While they of course would not be protected from being fired or disciplined for such collective action, few unionised workers are protected from this now, especially precarious contract workers like myself. Organised autonomously, these unions can act free of the harness of the contract, untempered, and unimpeded by cooling off, fact-finding, arbitration, and mediation rules that tie the hands of unionised workers itching for a fight.

Without the constraints of labour law and contracts gig workers have discovered and deployed a new strategy of 'collective logouts' (Vandaele 2018: 14), strikes that disrupt or shut down the algorithmic driven machine. While their impact has been modest, dispersed, and difficult to sustain, they have used this strategy to disrupt one of the most powerful sectors of the global economy and find ways to undermine capital's strategy of algorithmic management of labour forcing these companies to sometimes concede to modest demands to make them stop (Vandaele 2018:14) It will take constant organising and vigilance to defend and expand these gains. Not only will labour law not replace the need to constantly organise but it is a tactic for stifling and clawing back these gains.

The degree of retaliation is a measure of the degree of threat. Small numbers of well-organised gig workers have demonstrated the ability to disrupt the functioning of cities, business districts, and the movement of people and goods. As Woodcock and Graham (2020: 108) insightfully observe, 'The threat of legal injunctions means that workers are not only having an effect on the gig economy but are redefining what organizing and trade unionism mean today'. As this strategy becomes the new predominant means of organising all work it is incumbent on

organised workers to study and circulate these tactics and strategies by adapting them to their own conditions.

The demonstrative impact of these relatively small strikes raises doubts about union claims of the futility of organising gig workers (Vandaele 2018: 17). Several of these multinational companies have threatened or actually engaged in capital strikes, threatened mass layoffs, and are attempting a technological fix (Silver 2003: 39; Vandaele 2018:14) by rushing drone and self-driving cars into operation (Uber 2019: 30). Lyft warned investors of numerous 'risk factors' in its 2019 pre-IPO filing with the SEC. 'If we are unable to efficiently develop our own autonomous vehicle technologies or develop partnerships with other companies to offer autonomous vehicle technologies on our platform in a timely manner, our business, financial condition and results of operations could be adversely affected' (Lyft 2019: 26).

Gig companies have also lost big against small upstart self-organised workers. Some have been banned from operating in countries, recognised militant organised gig worker unions, signed contracts, set up company unions, conceded to new local laws extending limited benefits, and raised wages. Some companies have conceded after repeated losses in labour, appellate and supreme courts, and been sanctioned with fines and criminal convictions (Garben 2017: 33, 59). In California, the companies shattered a national record in spending on a ballot initiative to buy a new law after losing at work, in the courts, and the state legislature. If these companies' algorithmic management strategies were as impervious to worker organising as some unions have feared we would have expected to have seen little or few of these concessions or defeats.

The passage of Prop 22 in California was an outlier among a growing list of global losses for the app companies. Small, autonomous, and independent rank and file run unions are continuing to deploy disruptive tactics and strategies specific to their conditions of work under algorithmic management (Vandaele 2018: 21, 27; Woodcock and Graham 2020). For self-organisation gig workers struggles to continue it will require a vigilante effort to avoid being channelled into advocacy and lobbying for accountability at the expense of the struggle for control. The predictable consequences of advocating for accountability is that self-organised gig workers struggles will be increasingly directed to maintaining, monitoring, and enforcing court rulings, laws, and regulations, battles they cannot win in the long term. This strategy will dissipate their focus on organising for control in the workplace where they hold the potential to contest the power of the app over their, and ultimately all of our, labour.

10. Conclusion

After several years of impressive progress, gig worker organising faces a sharply crossroads that leads in at least two possible divergent directions. First, will the effort to align with large established unions which are primarily interested in signing up members and focusing on advocacy, while avoiding worker organising, lead to effective legal reforms or unenforceable labour-management peace agreements that will improve the working conditions and lives of gig workers? Can reforms like AB5 in California be gutted, overturned, or evaded by companies answering with subcontracting or a capital strike by withdrawing from the entire country as in Canada and most recently with the passage of *Ley de Riders* (Riders Law) in Spain (Aranguiz, 2021).

Second, will self-organised gig workers be able to devise new tactics and strategies to overcome the highly precarious and impersonal working conditions under algorithmic management to sustain their organising efforts? Ultimately, these self-organised rank and file led unions have the potential to transform into more permanent organisations but they must survive the departure, firing, or lay-offs of core organisers. The strategic question is whether they focus on

continuing to organise gig workers for disruptive power and perhaps attempt to enshrine some gains through collective bargaining? Or will they de-escalate and work with the established unions by advocating for legal reforms which risks rubbing off the disruptive militant edge that gave them leverage in the first place? Whichever choice they make will provide a model for the rapidly growing segment of the labour force being transformed into contingent gig workers managed by the algorithm.

Notes

1 Although Prop 22 was ruled unconstitutional in August 2021 the fate of the new law is not yet known. The case was refiled after the state Supreme Court threw out an earlier suit by one of the unions backing AB5. The ruling by the Alameda County Superior Court, the lowest level of state courts, does not establish precedent and could be stayed. This case is likely to take years to complete the appeals process potentially going all the way to the US Supreme Court.

2 While there is a wide range of online gig, or platform, based work across what is called crowdwork or microwork and on-demand work (Vandaele, 2018: 10–11), this article focuses on workers working for 'ride-share' and food delivery and shopping gig companies. The reasons for this focus can be attributed to about five years of open, sustained disruptive organising campaigns that have given these workers structural and disruptive power (Vandaele 2018: 7, 11, 14).

3 Algorithmic management has been defined as relying on data from customer ratings and evaluations to determine assignments, wages, and dismissal of workers. Data is not limited only to that related to the service (Wood et al., 2019: 64). Another understanding of algorithmic management sees it as automated and continuous generation of data from all aspects of a worker's labour that is used to assess, control, evaluate, track, and discipline the worker.

4 The New York State Unemployment Insurance Board ruled that Uber and Lyft workers were employees eligible to receive benefits. The ruling, upheld in 2020 by the state supreme court, has left the companies on the hook for unpaid contributions (Leon 2020; Eidelson and Penn 2021). Uber owes another $650 million to New Jersey for its unpaid unemployment fund contributions (Leon 2020). Massachusetts sued Uber and Lyft for misclassifying their workers in 2020 (Scheiber and Conger 2020).

5 One newly recruited worker organiser was recruited away from organising car protests and strikes to work for GWR only to be used to collect drivers contact information to fill protests and rallies supporting AB5. However, two weeks after the bill passed all of the paid part-time staff were laid off with no prior notice and no organising campaign to replace it. While negotiating with the app companies over mutually acceptable amendments to AB5 SEIU had pulled its stakes and ended support for gig workers. In the No on Prop 22 campaign the TWU also laid off drivers hired as temporary paid campaign staff without warning (unidentified interviews, 28 May and 1 June 2021).

6 RDU organisers I interviewed also fought off nascent attempts at similar deals in California prior to the passage of AB5 (Mighetto, Pardo, and Arellano interviews 2021).

7 Smith (2016: 11) estimates the lower figure of 8% have earned money from online gig work, but it's unclear if this is based on the total population or the percentage of those in the labour force.

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PROTECTING GIG ECONOMY WORKERS IN EU LAW

Challenges and recent initiatives

Ane Aranguiz

1. Introduction

We can all agree that digitalisation has brought easiness, efficiency, flexibility, and reachability into our lives. Look no further than back to March 2020 (and the many months that followed). Without digitalisation, the recent global pandemic would have utterly devastated nearly all sectors of our economy without mercy, frozen all education, and distanced our societies not only physically but virtually as well. Sure, digitalisation did not prevent an unstoppable crisis from happening, but it has certainly mitigated its effects and allowed many of us to keep moving forward, if slower and in an adapted way. However beneficial, downright transformative phenomena like digitalisation cannot but also bring a series of risks and shortcomings.

In the world of work, digitalisation comes hand-in-hand with the notion of the gig economy. This too offers two sides of the same coin. On the one hand, gig work creates new employment opportunities for workers, the self-employed and businesses. In the EU alone, roughly 11% of the workforce is estimated to have participated in work via platforms (Commission, C(2021) 1127 final). This kind of work offers the necessary flexibility for many people to earn an additional income, in particular, for people who have difficulties accessing the traditional labour market and require very flexible employment models to be active. On the other hand, such flexible working arrangements can (and have already) led to precariousness at work, especially as regards predictability of working conditions, income security, health and safety at work and access to social protection. The COVID-19 crisis has both sharpened the precariousness of such non-standard forms of work and highlighted the essential service that many gig workers provide.

The rapidly growing phenomenon of gig work and the recent pandemic-caused-developments have not gone unnoticed in the EU. Both member states and the EU have been confronted with challenges brought by digitalisation in the labour market, which has led to a number of interesting developments in the last months aiming at combating gig-precariousness.

The present contribution focuses on the recent initiatives at the EU level targeted at providing better protection for gig economy workers. To this end, it first looks into the main challenges in existing EU labour law to tackle problems arising from non-standard employment in terms of working conditions and access to social protection. It then moves on to discuss a number of recent initiatives and to what extent these can effectively ensure that gig economy workers are sufficiently protected and that the welfare and labour structures are fit for purpose.

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While general matters of EU labour law and social law fall out of the scope of this contribution (Jaspers, Pennings & Peters 2019), it needs to be noted that the competences of the EU in this field are relatively limited and thus, the primary responsibility for protecting workers lies at the national level and not the EU law framework. Other contributions in this handbook take a look at how different EU member states are tackling the rising number of gig workers. This contribution instead focuses on the part that the EU is playing on this matter.

2. Giggin' up dirt: protecting gig workers in the EU

2.1 Background

Because of its accessibility, flexibility and dynamism, tracking the gig economy has proven difficult and there exists a severe shortage of reliable data on the size and growth of the gig economy. Data regarding how many Europeans have worked in the gig economy goes from 0.05% of the adult population to 6% (or 11% of the workforce) (Commission, C(2020)1127). The danger of this phenomenon is not necessarily its extent, since it is (might be) still rather marginal, but instead its potential to grow and disrupt our economies and employment models.

Part of the problem is that there is no clear definition of what a gig-worker is and what exact characteristics define a gig worker. From an EU perspective, the added challenge is that member states frequently deal individually with these issues, often taking a different approach to the matter, which leads to great divergences in the EU. In 2016, the Commission defined the gig economy as 'an economy in which digital technologies enable teams to be assembled around a given project – and often across borders – while platforms seamlessly connect buyers with sellers'. However, there is no general consensus on this definition (Commission, 2016). Moreover, there are a number of different terms used to refer to the same, relatively similar or partly overlapping (depending on the definition at use) activities, which are often used interchangeably by commentators such as 'platform work', 'collaborative economy', or 'shared economy'. It is not the purpose of this contribution to discuss the contours of this phenomenon, but instead, to make the point that because of the relative novelty and ambiguity about the topic, there is a significant gap in the data collection around this topic, which, in turn, complicates addressing problems arising from it.

This has not prevented the Commission from acknowledging the challenge of protecting gig workers and slowly but surely, important steps have been taken since 2016. It was then when the Commission adopted its European agenda for the Collaborative Economy, which aimed at clarifying the concept of the collaborative economy and platform work as well as at providing guidance on the employment status of platform workers (Commission, COM(2016)356 final). As it will be discussed in the following section, when looked from a regulatory framework point of view, the establishment of an existing employment status will often mark the difference between worker's protection and lack thereof. Soon thereafter, in April 2017 the Commission launched the European Pillar of Social Rights (hereinafter EPSR or 'the Pillar'), which was interinstitutionally proclaimed by the EU institutions in November of the same year. One of the Pillar's goals is to address some of the policy challenges associated with new forms of employment, including gig work. Whereas the Pillar is not in itself enforceable, since its adoption, the Commission has continuously proposed concrete actions that implement the principles enshrined in it. Some of these actions could convey important safeguards for the gig economy workers, and refer, *inter alia*, to a Directive on transparent and predictable working conditions and a Council Recommendation on access to social protection. In addition, the EU has also established a dedicated Online Platform Observatory that has the objective to monitor

the evolution of the market and the effective implementation of the applicable rules.[1] More recently, the Commission has also launched a proposal for a directive on adequate minimum wages (Commission, COM(2020) 682 final), a proposal for a regulation on the Artificial Intelligence Act (Commission, COM(2021) 206 final), a consultation on a potential proposal on improving working conditions for platform workers (Commission, C(2021) 1,127 final) and a consultation for amending competition rules to allow collective agreements between the (solo or bogus) self-employed (Commission, 2021). Before presenting the main characteristics of these instruments and their impact on the gig economy, the next section first provides some general remarks on EU labour law, and the challenges it faces with the issue of gig work.

2.2 EU labour law protection and the dichotomy of labour

In general, when we refer to putting remedy to the precariousness of gig workers through normative protection, we face two main challenges. On the one hand, gig workers often do not fit in the moulds that have traditionally defined an employment relationship. This is because the relationship between employer and employee is distorted by putting a mediator, a platform, between the two. Consequently, they are often not considered to be workers also for the purposes of employment protection instruments. On the other hand, there are new features of this form of employment that create new regulatory needs. This is clearly the case with the algorithms used by platforms, which often affect the working conditions of this part of the workforce. For the second challenge, authorities will have to come up with new avenues to tackle these new threats. Some of the initiatives discussed in the next sections aim precisely at that. The former challenge, the nominal one, requires rethinking the traditional employment definitions and either understanding work as a broad and fluid notion so that gig workers can fit in or completely reformulating traditional notions of employment. An additional challenge for EU law refers to the fact that the EU only intervenes in areas of labour law that have been conferred to the EU by the member states (Art. 5 TEU). Where the EU has competencies, there are a number of instruments, mostly in the form of directives, that set minimum levels of labour protection. Member states, however, retain some discretion in transposing these instruments into the national legal order. Moreover, EU law lacks a single, uniform definition of 'worker', which leads to discrepancies in the application of the personal scope of the labour standards enshrined in these instruments.

The European Court of Justice (ECJ) has traditionally utilised a rather broad concept of worker: 'a person who, for a certain period of time, performs services for and under the direction of another person in return for which he receives remuneration' (C-66/85 – *Lawrie-Blum*, para. 17). However, most EU labour law legislation defines worker by reference to national law, meaning that the protection granted by these instruments ultimately applies to those who national authorities consider workers. Often, these definitions exclude gig workers. This exclusion happens either because the relationship between employee and employer is diluted by putting a mediating platform; because the tasks that they carry out are considered marginal; or because they are considered self-employed as a consequence of lacking subordination to an employer. As a result, protections enshrined in EU law have not always (or rather rarely) applied at the national level, even when the ECJ has been generous in its definition and has explicitly precluded member states from defining the scope of beneficiaries in a narrow way as to not exclude certain categories of workers unilaterally (Risak & Dullinger, 2018).

In fact, the ECJ has factored in a number of characteristics that are innate to casual workers. The Court has confirmed, *inter alia*, that the short duration (C-413/01, *Ninni-Orasche*, para. 32) or discontinuity of work (C-357/89, *Raulin*, para. 14), low-productivity (Case 344/87, *Bettray*,

para. 15–16) or limited hours (C-46/12, *L.N.*, para 41) cannot prevent individuals from gaining the status of worker. In addition, the employment nature and sphere do not have a bearing on the overall assessment of establishing the status of worker. However generous, gig workers often carry out microtasks and, as a consequence, their activity may also be excluded from the EU concept of workers for being regarded ancillary or marginal (Case 53/81, *Levin*, para. 17).

A broad understanding would imply that instruments such as the atypical work directives (Part-time, Fixed-term and Temporary Agency Work Directives) would offer some degree of protection for this part of the workforce (Bednarowicz, 2019). These three directives mainly give atypical workers the right to equal treatment compared to 'typical' workers (full-time, open-ended contracts). Either way, supposing that gig workers could, in fact, be considered workers and may thus fall under the scope of the existing employment regulations, there is an additional burden to be satisfied for the enjoyment of these directives: the need for a comparator. Both the part-time and the fixed-term directive require a comparable full-time worker from the same establishment (C-313/02, *Wippel*; Case C-307/05, *Del Cerro Alonso;* C-380/07, *Angelidaki*), which for many of the employment relationships in the gig economy may prove virtually impossible. Thus, even if the directives can apply, due to the lack of a comparator, it would not be possible to determine when there is a violation of the prohibition of discrimination. In this vein, Bell argues in favour of introducing a hypothetical comparator to these directives, just as it is included in Directive 2008/204 on Temporary Agency Work (Bell, 2011). If, however, finding a comparable full-time worker were possible, then the casual worker would have the right to equal treatment compared to a full-time worker. In his manuscript, Bednarowicz studies this possibility and comes to the conclusion that whereas these instruments could in fact apply, it would grant gig workers rather marginal protection since their situations are rarely comparable to that of a full-time indefinite worker (Bednarowicz, 2019)

Moreover, the possibility of protecting non-standard workers with the existing regulations was abruptly disrupted by a recent ECJ order in *Yodel* (C-692/19), where the Court argued that a delivery worker for the company Yodel was not to be considered a worker within the meaning of the Working Time Directive. This case represents a huge setback on the expansion of the concept of worker and its potential application for gig workers. *Yodel* concerned a parcel delivery courier for a parcel delivery company (Yodel) in the UK who had been hired as a self-employed contractor. The ECJ agreed with Yodel in this case and established that the courier could not be considered a worker because of the lack of sufficient degree of subordination. Whereas the Court, referring to *FNV Kiem*, noted that the national classification of self-employed does not preclude the application of the Directive, it did not consider that there was an employment relationship because of the freedom enjoyed by the courier. Particularly, the Court identified a number of factors that determined the independence of the service provided: the discretion to use subcontractors or substitutes to perform the service; the freedom to choose to accept or not the tasks offered by the 'employer'/client or to unilaterally set the maximum number of those tasks; the option to provide his services to any third party (including direct competitors of the putative employer); and lastly, the freedom to fix his own hours of 'work' within certain parameters and to tailor his time to suit his personal convenience rather than solely the interests of the putative employer (para. 45). The approach taken in *Yodel* leaves little hope for gig workers, particularly other couriers, often working through a platform, whose circumstances are easy to parallel with the courier in *Yodel*.

All in all, the protection of gig workers at the EU is full of conditionals. These workers will only be protected *if* they can be considered workers *when* they do not perform marginal or ancillary activities and will only fully enjoy their rights *where* there is a suitable comparator. This is a clear reflection of the lack of adaptability of existing EU law to the dynamic and changing

economies which, in the absence of specific protections for these vulnerable groups, undoubtedly results in the lesser and inconsistent protection of this part of the workforce. Recently, however, the EU has taken a more dynamic stand and has launched a number of initiatives to tackle (directly or indirectly) precariousness among gig workers. The next section discusses precisely this.

3. Gig for victory: adopted recent instruments

On a more positive note, the EU institutions seem to have picked up on the problems arising from the misclassification of the workforce and its particular adverse effect on casual workers. In this vein, in 2016, the Commission encouraged member states to follow the EU concept of worker that emanates from the case law of the ECJ and see that those working in the collaborative economy are adequately classified and are entitled to the rights that emanate from that position (Commission, COM(2016)356 final). More important for this analysis is the fact that recent legal initiatives in the EU have incorporated a hybrid definition of worker that forces member states to read their definition of worker in line with the case law of the ECJ. This is notoriously the case of Directive 2019/1152 on transparent and predictable working conditions and the Work-Life balance Directive 2019/1158.[2] Worth noting, these two instruments both were associated with the launch of the EPSR and reflect on its principles (principles 7 and 9, respectively).

3.1 Directive on transparent and predictable working conditions

This Directive grants workers the right to obtain more complete information about their employment relationship, which ought to be presented within a week (essential information) or a month (supplementary information) from the start of the employment relationship (Chapter II). Gig workers often have unpredictable working conditions regarding income, working hours, responsibilities or benefits. As such, this Directive could bring necessary clarity to their working situation. The Directive also imposes a limit on the length of probationary periods of six months unless a longer period can objectively be justified (Art. 8). Moreover, it protects workers' parallel employment outside the work schedule established by the employer by prohibiting the use of exclusivity clauses and imposing a limit on the use of incompatibility clauses (Art. 9). It also establishes that outside the agreed working hours, workers retain the full right to refuse being called in to work, enjoy protection against unfair treatment, and have a right to compensation when the employer cancels a work assignment after a specific deadline (Art. 9). Worth noting for this contribution is the specific clause in Article 11 that covers on-demand work. According to this, those working on-demand enjoy protection against abusive practices which is embodied in either a limitation of the use and duration of on-demand contracts and/or in a rebuttable presumption of an employment contract with a minimum number of paid hours that is based on an average calculated on the basis of a given period. The Directive also encompasses the right to request a more stable form of employment and to receive a justified written reply, although there is no obligation for the employer to offer such a stable contract. Differently, the employer does have the duty to provide worker's access a free-of-charge mandatory training that shall be accounted as working time (Bednarowicz, 2019).

The Directive applies to 'every worker in the Union who has an employment contract or employment relationship as defined by law, collective agreements *with consideration to the case-law of the ECJ*' (emphasis added, Article 1.2). This innovative hybrid notion of worker is new to the EU and has so far only been included in this instrument, the Work-Life Balance Directive

and recently in the proposal on adequate minimum wages (Commission, COM(2020) 682 final). Because of the broad interpretation of worker in the case law of the ECJ, these directives are less controversially going to grant ample room for the Court to expand this definition to more casual forms of work, such as gig workers. In fact, recital 8 establishes that 'provided that they fulfil those criteria, domestic workers, on-demand workers, intermittent workers, voucher based-workers, platform workers, trainees, and apprentices could fall within the scope of this Directive'. However, the Directive only applies where the 'employment relationship with predetermined and actual working hours amounts to an average of three hours per week' (Recital 11 and Article 1). The latter could easily exclude marginal tasks carried out in the gig economy.

Still, the adoption of this directive is promising from the perspective of granting gig workers more transparency and predictability regarding their working conditions. Much of the impact will of course depend on how national authorities transpose this Directive and its personal scope, and thus, the real power of this instrument remains to be seen.

3.2 The work-life balance directive

As mentioned previously, the work-life balance directive also encompasses a similar, albeit slightly adjusted,[3] hybrid concept of worker and as such, it could apply to gig workers. The Directive aims at achieving equality between men and women in the labour market by facilitating the reconciliation of work and family life of parents or carers. More specifically, it enshrines, for the first time, the right to paternity leave which should be of at least ten working days around the birth of the child and will have to be compensated to the level of sick leave (Arts. 4 and 5). Parental leave, differently, should be of at least four months per parent, from which two months are non-transferable and should be compensated at an adequate level – to be determined by the member states (Art. 8). There is in addition a newly introduced concept of carers leave addressing workers caring for relatives in need of care of support and grants them at least five days' leave (Art. 6). Finally, the right of parents to request flexible working arrangements is extended also to carers with this Directive, allowing them to adjust their working patterns (Art. 9) (Chieregato, 2020).

If applicable to gig workers, therefore, this Directive would entitle them to reconciliation measures in case of parenting or caring duties, thereby protecting their employment position and ensuring a level of income during this caring duties. Moreover, considering that an increasing percentage of the gig workforce are women, this Directive could have a significant impact in reducing caring responsibilities-led inequalities between men and women.

Just as it happens, for the previous Directive, it remains to be seen how member states will transpose the instruments, which should take place at the latest by August 2022. Surely by then, if not earlier, the Court will be confronted with the question of to what extent these two instruments apply to workers in the gig economy.

3.3 Recommendation on access to social protection

After much expectation and reluctance from a number of Member States, in November 2019, the Council adopted the Recommendation on access to social protection for workers and the self-employed.[4] The Recommendation is yet another instrument that has rolled out from the EPSR (principle 12) and it aims to guarantee access to social protection for workers, and under comparable situations the self-employed, regardless of the type or the duration of the employment relationship. One of the main purposes of the recommendation was in fact to tackle the coverage gaps in current social protection systems that leave a big part of the workforce, such

as gig workers, without protection. This Recommendation aims at correcting this and future-proofing the European social model and welfare protection in the member states.

During the negotiation, however, there was a lack of consensus regarding the direction of reform among the member states and social partners. This resulted in the Commission opting for a soft-law Council Recommendation (Art. 292 TFEU) instead of a binding legal instrument. Compared to these directives, therefore, this recommendation does not impose binding outcomes or obligations, and instead, it aims at triggering change at the national level. To that end, it installs a (monitoring) framework for EU institutions and the member states to cooperate and address the various problems regarding the lack of social protection.

The preamble of the recommendation very clearly establishes that the objective of the Recommendation is to support the workforce engaged in non-standard forms of employment and self-employment who are not (sufficiently) covered by national social security schemes,[5] especially when there is an unduly income or time threshold to access the social security system (recital 17 of the preamble). The Recommendation covers the right to participate in social security schemes, both formal (an entitlement stemming from legislation of collective agreements) and effectively (where workers have the opportunity to accrue adequate benefits and obtain a given level of benefits), and that this is adequate and transparent. It also covers the accumulation and take-up of entitlements (Art. 2). This material scope applies to both workers and the self-employed as well as to people transitioning from one status to another or having both. It hence, offers strong possibilities in respect of tackling the precarious conditions of gig workers.

However, the Recommendation missed the opportunity to tag-along the hybrid definition of worker used in the two previous directives. In fact, it lacks any definition of what a worker or an employment relationship is, which is crucial when determining the scope of beneficiaries of social security benefits. Again, this creates a fundamental problem for gig workers who do not always fit in traditional moulds of what constitutes a worker (or a self-employed to that effect). As such, whereas the Recommendation promotes the mandatory access to adequate social protection for workers regardless of the type of employment relationship (and for the self-employed at least on a voluntary basis),[6] it does not clarify what it is to be understood as a worker (Aranguiz & Bednarowicz, 2018). In addition to the lack of definitions, the overall language of the instrument uses a rather soft-language (besides being a soft-law instrument in itself) and explicitly excludes branches of social assistance and minimum income protection (Aranguiz & Bednarowicz, 2019).

Arguably, the more positive aspect of the Recommendation, together with the recognition of the significant coverage gaps in social-protection systems across the EU and the need for a common approach, is the monitoring system it installs and the obligation for the Commission and the member states to collect and publish reliable national statistics on social protection and monitor their progress. Previous sections have already signalled the problem of unavailable or unreliable data surrounding gig work and the problems this generates. As such, this monitoring system can significantly improve this situation and allow more targeted approaches, based on reliable information, to be taken in the medium term.

Overall, the Recommendation attempts to respond to the new labour-market patterns which have emerged in the wake of the platform economy, as traditional labour-related social security schemes have mirrored outdated labour trends. While it does not call for a drastic redefinition of national social protection systems, the Recommendation aims to guide member states on how to adapt their systems to current realities and challenges. It does not provide any criteria for how to define adequacy of benefits – one of its major flaws – but it sets the right tone in shifting the focus to social protection for all instead of highlighting the binary divide between workers

and the self-employed (though recognising its inherent differences). Moreover, it provides an opportunity for the stakeholders to get engaged in the debates and express their positions.

In spite of its soft language, the Recommendation may still be a turning point on the EU's social agenda. This could especially be the case when more data on social protection are collected, with the follow-up in the context of the Social OMC and the European Semester, which would be key in developing a common European strategy to make the Union more socially inclusive.

4. Gig for victory: under consideration

Besides the adopted recent instruments, there are currently other proposals or initiatives on the table that may improve the protection of gig workers at the EU level. This section discusses precisely this.

4.1 Proposal for a directive on adequate minimum wages

Also part of the EPSR movement, in October 2020 the Commission presented its proposal for a Directive on adequate minimum wages as a way of implementing principle 6 EPSR on minimum wages into a concrete (binding) action (Commission, COM(2020) 682 final). At the moment of writing, the proposal is undergoing the first reading by the Council and is facing fierce criticism from a number of member states, in particular, from the Nordic states. Most opposing member states fear the instrument will interfere with their collective bargaining system and have opposed the Directive since the Commission first mentioned it (Commission, 2019). They made their criticisms very clear both in the first (Commission, C(2020)1127) and the second stage consultation (Commission, C(2020)3570) processes, as well as by giving an opposing national parliament opinion on the proposal on the basis of the subsidiarity protocol.[7]

The proposal aims at ensuring that work is remunerated adequately to allow workers to have a decent standard of living. The directive is cleverly designed to adapt to both types of minimum wage setting: collective bargaining and statutory minimum wage systems. To the end of respecting this division, the Directive is structured in four different chapters: general provisions, statutory minimum wages, and horizontal and final provisions. Accordingly, the second chapter does not apply to those member states that regulate minimum wages through collective bargaining agreements (Sweden, Denmark, Austria, Cyprus, Italy, and Finland).

The proposal puts forward a number of provisions worth noting. For gig workers, perhaps the most interesting part is that the proposal follows the hybrid worker definitions of the previous directives and applies to every worker in the Union who has an employment contract or employment relationship as defined by law or collective agreements and in consideration with the case law of the ECJ. Recital 17 of the preamble, moreover, complements this by specifically addressing categories that are often disputed to qualify as 'workers', including domestic workers, on-demand workers, intermittent workers, voucher based-workers, bogus self-employed, platform workers, trainees and apprentices. Remarkably, it enshrines that it is the actual performance of work and not the work description provided by the parties that determines the existence of an employment relationship. This provision is clearly designed to ensure that non-standard forms of employees, such as gig workers, are covered by minimum wages regardless of whether they have traditionally fit in this definition insofar as they fulfil similar criteria.

Moreover, Article 4 of the proposal provides for the promotion of collective bargaining, including the obligation to install a framework to enable collective bargaining where coverage is less than 70%, which requires an action plan to be made public and presented to the

Commission. This should encourage collective bargaining in areas not yet covered, as it is often the case for those carrying out gig tasks. This point goes hand in hand with the new initiative on collective bargaining discussed later. In addition, Article 6, which applies only to statutory minimum wages, limits the possibility of excluding certain groups from the scope of minimum wages, and ensures that if they are excluded (through deductions and variations), there is a justification for such an exception.

Similar to the Recommendation discussed earlier, the proposal for a directive also includes the establishment of a monitoring system, which provides for a platform of supervision, data collection and evaluation of the current framework. Article 10 requires, *inter alia*, a report on an annual basis, statistics and information (disaggregated by gender, age, disability, company size and sectors), which the Commission will assess and report accordingly to the Council and the European Parliament.

These provisions are complemented with the more common provisions regarding remedies, implementation, non-regression, dissemination, evaluation, and transposition.

Whereas the provisions on adequacy are questionably fit for purpose,[8] the proposal is rather strong from a coverage point of view. A combination of a broad concept of worker, an obligation to put a framework to promote collective bargaining in areas not yet covered by collective agreements and the clear limits to variations and deductions in the case of statutory minimum wages will in all likelihood (if adopted) lead to the coverage of many workers who are not currently able to access minimum wages. Complemented with a regular monitoring system and access to effective remedy, these provisions could have the desired effect to bring 'fairness' to the labour market by ensuring that many more are covered by minimum wages. Not to be misled by the title of the Directive, this does not ensure adequate wages. In the case of gig workers, this not only depends on whether the minimum wage is set at an adequate level but also on the number of hours they work. In this vein, applying a *pro rata temporis* of the minimum wage to someone who works part-time, if not marginally, can hardly amount to an adequate wage. Still, it ensures a minimum degree of protection.

It remains to be seen whether the proposal will, in fact, survive the brutal opposition to regulating minimum wages in the EU or at least in its current form. In view of the vicious antagonism, it is not unlikely that the proposal will be substantially watered down during the negotiations between the Council and the Parliament, if not completely abandoned.

4.2 Ongoing consultations: working conditions for platform workers and collective bargaining

In all likelihood, these two consultations are the most targeted approach to address the precariousness surrounding gig workers, as they have been explicitly conceived with their protection in mind, and they address sector-specific challenges.

The first consultation refers to the working conditions of platform workers, which acknowledges the regulatory challenges of this complex and dynamic form of work and aims at addressing the potential precariousness that may emerge from it. Accordingly, the Commission sees platform work as a positive evolution that contributes to growth and jobs in the EU, particularly for those that require increased flexibility and additional revenues. Nonetheless, the Commission notes the hard conditions often associated with this workforce, which reflect in the lack of transparency and predictability of employment conditions, health and safety, and the insufficient access to social protection. As a result, it launched the first-stage consultation of social partners in March 2021 on possible EU action to address these issues. In it, the Commission identified a number of areas that might require attention, including employment status, working

conditions, access to adequate social protection and collective representation and bargaining, the cross-border dimension, issues related to algorithmic management, and access to training. After carefully assessing the responses gathered, in June 2021, it launched the second round of consultation, with the question of which form and content (if any) should the action take. The Commission is, at the time of writing, consulting with the social partners in areas of employment status, algorithmic management, cross-border operations, enforcement, collective representation, and social dialogue (C(2021) 4230 final). Currently, the Commission remains open to either binding or non-binding instruments. Once the consultation is concluded, the social partners might decide to negotiate an agreement between themselves (following Article 155 TFEU). Otherwise, if deemed necessary, the Commission will present a proposal on its own by the end of 2021.

It is yet too soon to know what the impact of this consultation will be, but for now, it is at least a good indication of the willingness to improve the working conditions of this part of the population. As for the position of social partners, there is a classic divide between worker and employer representatives. On the one hand, the trade unions are rather keen on an ambitious initiative (ETUC, 2021). On the other hand, employers' associations show a much more conservative approach and seem reluctant to any legislative initiative as they claim that it would undermine the flexibility of this type of work and there is no one-size-fits-all suitable approach to it (Business Europe, 2021).

The second consultation, instead, speaks of bending the rules of EU competition law to allow the solo self-employed to negotiate collective agreements. According to EU competition rules, all agreements between undertakings, decisions between associations of undertakings and concerted practices that affect trade between member states are forbidden (Article 101 TFEU). In *Albany*, however, the ECJ confirmed that this prohibition does not apply to collective agreements for the purpose of improving workers' working conditions (C-67/96 – *Albany*). Later in *FNV Kiem*, the Court confirmed that this exception applies only to collective agreements for workers and that the exception does not extend to agreements concluded by an association of undertakings because this cannot be seen as a social partner agreement (C-413/13 – *FNV Kiem*, para. 27–30). The Court, however, emphasised that that in the current economy establishing the status of some self-employed contractors is not a simple task. The ECJ referred here to *Allonby* (C-256/01, para. 71) to emphasise that being classified as self-employed by national law does not prevent a person from falling within the EU concept of 'worker' when the independence of the person concerned is merely notional and disguises an employment relationship (C-413/13 – *FNV Kiem*, para. 35). Finally, the Court confirmed that the status of 'worker' within the meaning of EU law is not affected by the fact that the individual at stake has been hired as a self-employed under national law as long as the person in question: acts under the direction of an employer with regard to: the freedom to choose the time, place and content of the work (para. 36); does not share the commercial risks (C-3/87 *Agegate*, para. 36); and, for the duration of that relationship, forms an integral part of that employer's undertaking (C-22/98 – *BECU*, para. 26). Because of this, it concluded that when a service provider does not determine independently her/his conduct on the market but, instead, is entirely dependent on a principal, s/he does not bear any of the financial or commercial risks and operates only as an auxiliary s/he cannot be considered an undertaking (C-413/13 – *FNV Kiem*, para. 70).

This case opened the door to the current consultation, which seeks to ensure that when the service provider is a solo self-employed, as it is the case for some gig workers, they can conclude collective agreements for the benefit of improving their working conditions. At the moment of writing, the consultation is in the hands of a number of actors, including self-employed individuals, businesses, trade unions, competition authorities, consumers, academics, and legal

advisers. The objective of the consultation is to ensure that competition rules do not stand in the way of improving working conditions while guaranteeing that potential agreements do not disproportionately affect competitive prices and innovative business models like the digital economy. To this end, the initiative aims at clarifying when certain self-employed and their peers can engage in collective agreements without infringing EU competition law. It is, however, limited to eliminating regulatory obstacles that preclude such collective agreements but will not impose an obligation for parties to engage in negotiations. It is likely, however, that the initiative (if any) would convey a number of tax and employment law changes as the classification between worker and self-employed vary tremendously also in these areas (Citron & Little, 2021). The impact of this, again, will only unravel once the negotiations have concluded and if there is a final agreement that can be adopted.

4.3 Other areas to consider

Besides the areas previously discussed, there are also a number of other areas that have an influence on the gig economy, which also have an impact on workers' labour and social protection. This is, for example, the case of the Platform to Business Regulation,[9] which promotes fairness and transparency for business users of online intermediation services, or the General Data Protection Regulation,[10] which provides workers with a number of rights with respect to their personal data (Li & Gregory, 2019; Podnar, 2018). There is also a proposal of the Commission in the area of taxation that includes reporting obligations for platforms and the Digital Service Act, which was adopted in 2020 and establishes a number of transparency obligations regarding terms and conditions of intermediary services, algorithms and recommended systems used by online platforms (Commission, COM(2020)825).

On the issue of algorithms, more recently, the Commission has presented its proposal for regulating artificial intelligence (AI) in the EU. The goal of the regulation is to address the risks that some AI systems may pose to the effective enforcement of the existing legislation on safety and fundamental rights due to the opacity of some algorithms. It aims at doing so by calculating the risks and benefits of AI systems. According to the Proposed Regulation, 'AI-systems used in employment, workers management and access to self-employment, notably for the recruitment and selection of persons, for making decisions on promotion and termination and for task allocation, monitoring or evaluation of persons in work-related contractual relationships, should also be classified as high-risk, since those systems may appreciably impact future career prospects and livelihoods of these persons' (Recital 36, (Commission, COM(2021) 206)). The fact that AI systems used in employment for those purposes are classified as high risk makes these systems subject to a number of safeguards. However, the conformity with these safeguards is, at the same time, subject to a self-assessment by the provider. In comparison to other AI systems that are considered 'high-risk', AI systems used in employment do not require a stricter conformity assessment procedure carried out by a 'notified body'. Given the severe consequences that AI systems can have in working conditions (Adams-Pressl, 2019),[11] where workers are already in a vulnerable position vis-à-vis their employers, it is unfortunate that these AI systems are not subject to stricter scrutiny. If the proposal is adopted as it is, it will endanger more protective AI regulations in other member states who ban or severely limit the use of tech to monitor workers (Aloisi & Gramano, 2019) or others that require algorithmic transparency as regards working conditions (Aranguiz, 2021). Not only would this risk the protective level in itself, but it would also jeopardise the involvement of social partners in these national systems that, unlike the current proposal, often require involving the trade unions and working for councils before introducing any type of tech that allows for (partial) surveillance (Aloisi & Gramano, 2019).

The Proposal, instead, envisions no involvement of the social partners. It does, however, provide for the possibility of human oversight to prevent or minimise the risks to health, safety or fundamental rights. However, in contrast to the earlier draft of the proposal (Commission, 2021, April), it does not specify the need to prevent negative consequences for the supervisors who raise concerns about the high-risk AI system. Similarly, it also does not establish an obligation to train such 'human oversight' and thus ensure that supervisors have the specialised knowledge required to understand and address the specific implications of the use of such AI systems at work (De Stefano, 2021). This suggests that there are no sufficient safeguards to ensure proper human oversights.

As such, as necessary as it is to regulate the use of AI systems at work, which have a significant impact on gig workers, the proposed Regulation falls short of the safeguards provided. This highlights the need for social partners and institutions alike to reflect and respond to this instrument and ensure better practices of AI systems that have an impact on working conditions.

5. Conclusion

It is old news that regulating flexible working arrangements is a challenge. Now, to do so for fluid and dynamic forms of work that often lack any formal agreement such as contracts, involve a variety of actors, completely deconstruct traditional ideas of work and are constantly 'on the go' requires to step up any regulatory game to ensure a fair, just and adaptable working environment. EU law is no exception to this. Recent developments of EU policy signal a positive evolution towards adapting protective frameworks to modern (though no longer 'new') forms of work. Gradually, EU law is providing a much-needed response to the needs of current labour markets. Proof of that is the many initiatives discussed earlier. Ultimately, the effectiveness of this regulatory framework in addressing the social and labour protection challenges associated with the gig economy will depend on future negotiations, follow-up interpretations and their implementation at the national level. As such, much of the relevance of what is discussed in this chapter remains to be seen. For now, we can cautiously praise the recent efforts of the Commission, member states, social partners, and civil society alike in addressing such dire concerns and hope that they will remain resourceful, willing to cooperate and reflect upon these (potential) solutions and future emerging challenges.

Notes

1 The official website of the Observatory is available at https://platformobservatory.eu/ [last accessed 14 September 2021].
2 Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union [2019] OJ L 186; Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019 on work-life balance for parents and carers and repealing Council Directive 2010/18/EU [2019] OJ L 188.
3 'This Directive applies to all workers, men and women, who have an employment contract or employment relationship as defined by the law, collective agreements or practice in force in each Member State, taking into account the case-law of the Court of Justice' (Art 2 Directive 2019/1158).
4 Council Recommendation of 8 November 2019 on access to social protection for workers and the self-employed 2019/C 387/01 [2019] OJ C 387.
5 In this regard, whereas the recommendation speaks broadly about social protection, its material scope is limited to branches closely related to participation in the labour market to mostly ensure protection from loss of work-related income due to a risk. As such, it applies to traditional social security benefits: unemployment benefits, sickness and healthcare benefits, maternity and equivalent paternity benefits, invalidity benefits, old-age benefits and survivors, benefits in respect of accidents at work,

and occupational diseases (Art. 3). In fact, the recommendation explicitly excludes branches related to social assistance or minimum income (Preamble point 9).

6 The voluntary basis as opposed to the mandatory for workers is associated to the entrepreneurial risks undertaken by the self-employed, even though the Commission acknowledged that increasingly, people are pushed to self-employment and is, thus, not an entrepreneurial choice. In its original proposal, the Commission limited the 'voluntary' schemes to unemployment benefits. The final text, however, erased this nuance and established instead that the self-employed are covered by voluntary schemes and 'where appropriate' by mandatory ones. This broadens the discretion for member states to exclude the self-employed from mandatory schemes and thus allow for a lesser coverage and protection of this part of the workforce.

7 The subsidiarity protocol allows member states to provide an opinion on proposals by the Commission when they believe that the principle of subsidiarity has not been respected. Where one-third of the votes given to the national parliaments opposes the initiative, the Commission will have to review the proposal and, if it decides to move forward with it, will have to provide a duly justification.

8 This is an inevitable consequence of a limitation on the competences of the EU under the chosen legal basis according to which, 'pay' is excluded from the social competences of the EU (Art. 153(5) TFEU). See in depth:

9 Regulation (EU) 2019/1150 of the European Parliament and of the Council of 20 June 2019 on promoting fairness and transparency for business users of online intermediation services [2019]OJ L 186.

10 Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) [2016] OJ L 119.

11 In a recent case before a Dutch Court, the Court ruled that the sectorial agreement had to apply to platforms using algorithms because the latter represents the 'modern authority of the employer'. Rechtbank Amsterdam, 13 September 2021, ECLI:NL:RBAMS:2021:5029. The case has since been appealed.

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FALLING THROUGH THE CRACKS

Gig economy and platform work in Central and Eastern Europe

Jan Drahokoupil, Marta Kahancová, and Tibor T. Meszmann

1. Introduction

This chapter takes stock of the existing research on platform work in Central and Eastern Europe (CEE). It focuses, in particular, on two issues. First, it assesses the extent to which platform work in the region can be considered precarious and considers which attributes of precarity characterise platform workers. Second, the chapter reflects how platform work interacts with and influences the weak institutions regulating the employment relationship across CEE countries.

The precarity perspective informs much of the research on platform work in labour sociology and industrial relations (Piasna and Drahokoupil 2021; Kahancová et al. 2020; Meszmann 2018; Piasna and Drahokoupil 2019, Sedláková 2018) and also in labour law (Kun and Rácz 2019; Kresal 2018). Precarity refers to attributes that make work uncertain and lacking appropriate social and statutory protection (Doellgast et al. 2018; Kalleberg 2018; Keune 2013; Keune and Pedacci, 2019). We argue that employment, jobs and tasks mediated via platforms found their way, at best in the border zone between the precarious formal employment status and the grey informal economy. Platform work is thus often conducted in the framework of formal employment, mediated by intermediaries who rely on the marginal forms of employment allowed by the national legislation. Platform work is thus characterised by highly unfavourable working conditions: unpredictable working hours, limited income and social security, and a lack of representation. Working for platforms is thus sustainable only as a marginal activity, or in a combination with other employment that integrate workers into the system of social protection. Platform work thus reinforces the existing weaknesses in CEE labour market institutions (Bohle and Greskovits 2012; Ost 2009; Trif et al. 2021).

The empirical evidence and analysis presented here draws on the limited survey evidence available for the region (Piasna and Drahokoupil 2019; Urzí Brancati et al. 2020), complemented by desk research on platforms and employment protection legislation in the region. The information on the working conditions of platform workers is based on qualitative research, focusing in particular on evidence from Czechia, Hungary, and Slovakia.

This argument is developed in three sections of the chapter. The first section sheds light on the prevalence and type of platform work in CEE countries and the motivation of individuals

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to work in the platform economy. The second section analyses platform work from the perspective of precarity. The concluding section draws together the main findings and loops them back to key labour market institutions such as collective interest representation via trade unions. In particular, it argues that unregulated platform work appears 'above' social dialogue, undermines labour market institutions, and eventually also the spirit of social and labour law.

2. The extent and types of platform work in CEE

Platform work penetrated the CEE labour markets slower than in the rest of the European Union. The Collaborative Economy Research Project (COLLEEM) surveys (Urzí Brancati et al. 2020) and the European Trade Union (ETUI) Survey of Internet and Platform Work (Piasna and Drahokoupil 2019) give an indication of the size of platform work in CEE compared to the rest of the EU.[1] The prevalence of platform work increased from 9.5% (2017) to around 11% (2018) across 14 EU member states surveyed across 14 EU member states in 2018 and 16 EU member states surveyed in 2019 (Urzí Brancati et al. 2020: 14). In contrast, the share of platform workers in CEE countries is much lower: the share of adults who report ever having tried platform work ranged from 1.9% in Poland to 7.8% in Hungary in 2018, while the share of workers working via platforms on a weekly basis exceeded 1% only in Hungary with 1.9% (Piasna and Drahokoupil 2019).

The finding on the overly low prevalence of platform work across CEE countries is further supported by survey evidence on low proportions of workers working via platforms regularly (Pesole et al. 2019; Piasna and Drahokoupil 2019; Urzí Brancati et al. 2020). While the COLLEEM survey found that 5.1% in Slovakia and 5% of survey respondents in Hungary are platform workers active at least on a monthly basis, Piasna and Drahokoupil (2019) demonstrated that these shares are even lower: 1.1% of respondents for Slovakia and 3% in Hungary work via platforms regularly. This difference in evidence between the two surveys has a methodological background of complex definitions of platform work rather than an overestimation of platform work in CEE countries. This general finding is supported also by evidence from Poland: 11% of Poles aged 18–65 have experience of platform work, but only 4% of these do so regularly (Owczarek 2018).

Besides the overall incidence, there is also evidence on the type of platforms that operate in CEE countries (Drahokoupil and Piasna 2021). Table 21.1 shows a non-exhaustive list of platforms in CEE countries that are members of the EU. It distinguishes between on-location platforms (transportation, deliveries, and personal and household work) and online platforms that facilitate trade in tasks that can be delivered remotely. The table shows that multinational platforms are more common in transportation, food delivery and in microwork. Platform work thus ranges from micro to large-scale project work, and there is a variation related to skills involved (Drahokoupil and Vandaele 2021; Golušin 2020; Florisson and Mandl 2018). In contrast to multinational platforms operating in several countries, local platforms tend to be established predominantly in on-location personal and household services, care services, teaching services, and hospitality services. Platform fragmentation is higher in this local, often regionally specific, subsection of the platform economy.

While platform work remains a marginal activity, the popularity of online platform work has been rising (Andjelkovic et al. 2020). One important comparative finding is that in CEE countries that are not EU member states (e.g. Albania, Bosnia, Montenegro, North Macedonia, and Serbia), work via online platforms was more frequent than in the EU member states. In the non-EU CEE countries, gig jobs for creative and multimedia tasks were especially pronounced, especially in Serbia and North Macedonia (ibid.).

Table 21.1 Structure and Examples of Platforms Operating in CEE Countries

Country	*Platforms facilitating on-location platform work*			*Platforms facilitating online platform work*
	Transport, ride-hailing	*Food/goods delivery*	*Personal and household services (e.g. gardening, cleaning), care services, teaching, handiwork*	*Translation, graphic design, software development, legal services, microwork (e.g. transcriptions, tagging)*
BG		Foodpanda.bg, takeaway.com, ebag.bg	Housecare.bg, phcare.bg, bavachki.bg, maistorplus.com, domestina.bg	Upwork, Fiverr, freelancer.com, gigsbg.com, freelance.bg, dibla.com
CZ	Uber, Bolt, BlaBlaCar	Damejidlo.cz, zavezu.cz	robeeto.com, grason.cz, nejremeslnici.cz, supersoused.cz, hlidacky.cz	Navolnenoze.cz, jaudelam.cz
EE	Bolt (previously Taxify), Uber, Yandex, Wisemile	Wolt, Uber Eats, Zomato, Food Panda, Deliveroo Shipitwise, Bolt, Barbora. Some large supermarket chains have created their own delivery platforms	UpSteam, Care Mate	GoWorkAbit, H2H, Upwork, Handy, Toitla
HR	Uber, BlaBlaCar, Bolt	Glovo, Wolt, Pauza, Bolt, Welovelocal.hr	Clintu, Cuvalica.hr, Trebam.hr	ClickWorker, Fiverr, Microworkers, Upwork, Toptal, BigTranslation
HU	Bolt, BlaBlaCar, Oszkár	Wolt, Bolt Food, Netpincér (Food Panda)	Expat.com, Rendi.hu, bebiszitter.info, bnbnMore (RunBnB)	Freelancer, Upwork
LT	Bolt, Uber, eTransport, eTaksi, Trans for Forwarders, eTransport	Bolt Food, ZITICITY, LastMile, Wolt, Lėkštė.lt, Bazzarr	GETFIX, PortalPRO, Domio, myHelper, Discontract	Teisės partneris, Cloud marketplace, FDP.lt
LV	Uber, Bolt, Yandex	Bolt Food, Wolt	Expat.com, Greataupair.com, baltichousehold.lv	
PL	Uber, Bolt, Free Now (formerly myTaxi), iTaxi, BlaBlaCar	Glovo, Wolt, Uber Eats, Finebite, Bolt Food, Pyszne.pl, otostolik.pl, Stava, Delgoo, knajp.pl, Delidelivery	hojoclean.pl, oferia.pl, niania.pl, favore.pl	uslugi-artystyczne.pl, Designer.pl, useme.com, freelancer.pl, oferia.pl

(*Continued*)

Table 21.1 Structure and Examples of Platforms Operating in CEE Countries (Continued)

Country	*Platforms facilitating on-location platform work*			*Platforms facilitating online platform work*
	Transport, ride-hailing	*Food/goods delivery*	*Personal and household services (e.g. gardening, cleaning), care services, teaching, handiwork*	*Translation, graphic design, software development, legal services, microwork (e.g. transcriptions, tagging)*
RO	Uber, Bolt, Clever, Blackcab, Yangoo, Freenow, BlaBlaCar	Glovo, Foodpanda, Takeaway		LiberProfi, Fiverr, Upwork, Freelancer, PeoplePerHour, Workaway, Tipptap, Taskrunner
SI	Uber, Flixbus, GoOpti, Taxi Cammeo	Wolt, E-hrana	Beeping	
SK	Bolt (previously Taxify), Uber, Hopin, BlaBlaCar, Liftago	Wolt, Bolt Food, Bistro	Jaspravim, Domelia, Hlidacky.sk	Taskit, Mikropraca.eu, Microjob.sk, Wilio

Source: Authors' update of Hauben et al. (2021).

The COVID-19 pandemic has contributed to expanding the food/parcel delivery sector, both for multinational and newly established local platforms (Hauben et al. 2021). At the same time, other types of platform work, especially those requiring personal encounters between the worker and the client, stagnated. Governmental responses to these challenges in CEE countries (e.g. replacement income for platform workers) were marginal and derived from more general remedy schemes (e.g. for the self-employed) rather than specifically targeting platform workers (ibid.). In the case of delivery work, as a recent study on Hungary shows, platform companies could restructure their internal labour markets, select and keep potential workers on waiting lists, thus creating an internal hierarchy and playing out the card of job security (Makó et al. 2021).

As far as the worker profiles are concerned, workers in digital labour markets are typically assumed to be younger than the general population (Huws et al. 2019; Pesole et al. 2019: 21). In CEE countries, workers active on platforms at least once a year were on average 4.3 years younger than others (Piasna and Drahokoupil 2019). Platform workers tend to be concentrated among labour market outsiders – migrant, young and female workers seeking casual earning opportunities rather than a stable employment arrangement (Meszmann 2018). In the category of other freelance services and tasks, Including childcare and tutoring, 73% of respondents in five CEE countries were women (Piasna and Drahokoupil 2019). The share of women in freelance work involving short tasks and clickwork stood at 59%, while men were slightly over-represented in creative and IT work with 57% (ibid.). The latter is associated with a higher skill level and better pay compared to low-skilled platform work. Gender differences in other types of platform work – that is, transportation and deliveries – were marginal, while a gender imbalance was found where 58% of respondents indicating regular work via platforms (at least once a year), were male (ibid.).

Interestingly, as far as the labour market status of platform workers is concerned, dependent self-employment and subcontracting at work is relatively prominent, particularly on transportation and food delivery platforms (Hauben et al. 2021; Meszmann 2018; Sedláková 2018). Drivers are often contracted via fleet companies, while food delivery riders are often contracted via student cooperatives and temporary work agencies. Moreover, in some sections of platform work, namely in personal and household services, but also in online microwork, undeclared work occurs via informal deals with unclear responsibilities in terms of employer status (Martišková 2020; Meszmann 2018; Sedláková 2018, 2020).

In sum, the available evidence suggests that on-location platform work is prevalent in EU member states of the region, whereas online work was more common among non-EU member states such as Albania, Bosnia and Herzegovina, North Macedonia and Serbia. In CEE, there was a significant focus on development of the platform economy in the segment of personal transportation (Makó et al. 2020; Meszmann 2018; Polkowska 2021; Sedláková 2018), as well as on food delivery platforms (Makó et al. 2021). Evidence also highlights the vulnerable status of platform workers. Workers, regardless of their employment status, tend to be highly dependent on platforms or the intermediaries, having to cope with flexible working time arrangement and related income insecurities. They work in highly individualised arrangements without bargaining possibilities, where platforms often request from workers to take over responsibility regarding compliance with local regulations (Kahancová et al. 2020). In light of these findings, the next section evaluates the extent to which platform work in CEE can be considered precarious from the perspective of income, job security, working time, career opportunities and access to collective interest representation and collective bargaining.

3. Dimensions of precarity in platform work in CEE countries

Besides exposure to traditional dimensions of precarity such as low pay, irregular working time, and lack of job security (cf. Trif et al. 2021), precarity in platform work may emerge because of a distinct form of managerial control and the use of feedback, ranking, and rating systems typical for platform work (e.g. Dörre and Castel 2009; Gandini 2019). Moreover, platform workers are likely to be exposed to precarity because of irregular work schedules and fragmented employment trajectories because of fluctuations in demand for their services (Piasna and Drahokoupil 2019; Stewart and Stanford 2017). Other potential sources of precarity derive from reduced access to social security, lack of clarity about labour market status and thus tax issues, lack of interaction with co-workers, lack of on-the-job training regarding health and safety and other issues, significant occupational stress, lack of access to organised interest representation, and comparatively lower average net earnings than in the traditional economy (e.g. Fidler 2016; Garben 2017; Huws et al. 2017).

Platform work in CEE is exposed to all of the previously discussed challenges regarding the labour market status and employment rights of platform workers (cf. Hauben et al. 2021). We analyse the working condition of platform workers along a multidimensional framework as applied in Kahancová et al. (2020). The following six dimensions of precarity provide productive perspectives for evaluating platform work in CEE.

- *Job security and social rights*: in CEE, labour market conditions tend to favour self-employment over regular employment through tax incentives. Flexible work arrangements and seasonal fluctuations in platform work yield lower job security and the entitlements of social rights, including pension rights, and maternity, sickness, and unemployment benefits.

- *Income*: income-related precarity then refers to the incidence of low income identified as income below two-thirds of median gross hourly wages (Keune 2013, Keune and Pedacci 2019). Besides income levels, precarity emerges from the lack of negotiating rights of platform workers over their own income.
- *Working time:* platform work offers working time flexibility but also unpredictable working hours and overall working time, which can also include excessive and unpaid overtime
- *Autonomy at work:* platform work has been portrayed as work with a lack of autonomy and the exercise of customer ratings and evaluation systems, often by algorithmic management (cf. Hauben et al. 2021). Moreover, platform work may be connected with a lack of career opportunities, greater exposure to work-related stress, and a lack of information and transparency regarding the workers' rights and productivity benchmarks.
- *Access to collective interest representation:* precarity originates from limited access of CEE platform workers to interest representation. This derives, first, from the lack of capacity of traditional interest representation organisations to represent platform workers and, second, from the character of platform work where workers have little opportunity to interact with each other and thus lack enabling conditions to raise their collective identity and articulate their interests.

The remainder of this section presents supporting evidence on each of the earlier dimensions of precarity from Czechia, Hungary, and Slovakia. Evidence originates from the authors' original research and expert assessment benchmarked with the available literature on platform work discourses in other regions and countries, an interview with Brian Fabo, an expert on platform work in CEE, and additional secondary evidence where available.

4. Job security and social rights

The predominant form of work via platforms is small entrepreneurship (Hungary) and self-employment (Czechia and Slovakia). The employment status of platform workers that are hired as self-employed has not been challenged in courts, nor have the labour codes been adjusted in reaction to the rise of platform work. In fact, policymakers in the region often assume platform work does not meet the legal criteria for dependent work (e.g. Adamcová and Klesla 2017). At the same time, there are legal opinions that characterise some platform work, driving for Uber in particular, as bogus self-employment (e.g. Stonjek, 2017 and Tkadlec 2017 in the Czech context). Other employment forms, on the rise particularly in transportation platforms, include fleet arrangements (contracting via the platforms' partner organisations on various types of small-scale contracts) and employment via intermediaries, student cooperatives and agency work (mostly for students given the dedicated legal regulation and tax exemptions for student employment). In personal and household services, undeclared work is prevalent; and in microwork employment, forms range from self-employment to undeclared work.

While self-employment yields flexibility, it also shifts responsibility for managing risks of unstable income onto the worker. In Hungary, registration and activation of a 'small-entrepreneurial' status are easy and flexible, yet active entrepreneurs start with a negative tax (about €150), a sum covering mandatory social insurance, which, however, needs to be earned on a monthly basis. The latter especially spells out the attractiveness and dangers of platform work, as it is rooted in high exposure to market demand that affects job security.

Besides self-employment, an emerging phenomenon is that drivers for transportation and delivery platforms are employed through a so-called fleet arrangement. The fleet drivers are not self-employed but employed by the fleet owner through small-scale contracts. Most platforms request a registered small-entrepreneurial status from their 'partners' in order to be active on

the platform; and these partners then contract the drivers. For example, in Czechia, this is the 'Agreement to Complete a Job' (*Dohoda o provedení práce*) scheme, which is limited to 300 hours per year, and guarantees the worker only basic protection, notably the minimum wage, but does not grant full access to social security or any protection against being fired. From the point of view of precarity, the 'Agreement to Complete a Job' does not define drivers as regular employees. Similar fleet work arrangements exist also in Hungary and Slovakia.

These arrangements emerged from the existing legislative framework, which have not been adapted to the specificity of platform work but offer the opportunities to utilise the already existing casual forms of employment. While this facilitated creative solutions, like the fleet work arrangements, at the same it places platform workers into a precarious position from the perspective of their job security and social rights. In Czechia and Slovakia, job security associated with the fleetworking employment form is minimal and it is easy to terminate employment with just a 15 days grace period even without the need to specify reasons for termination. In Hungary, the large discrepancy of the contracted hours and real hours worked creates gaps in social security contributions and thus related entitlements. Even more alarmingly besides tolerated unregistered employment (e.g. for microwork) it cannot be excluded that entirely unregistered, informal chain-contracting (subcontracting) is also occurring in some platforms (e.g. cell phone, car), in which job security is non-existent.

Altogether, social policy and social insurance schemes in CEE are contradictory: on the one hand, they rely on the legacy of universal coverage, and on the other, these systems are increasingly marginally able to remedy the rising social inequalities (An et al. 2019). In Hungary, the social security system was designed to be universal and inclusive. All individuals actively involved in the labour market and paying the minimum monthly social insurance of about €20 are entitled to health insurance. The insurance amount is part of the mandatory tax contribution of small entrepreneurs, thus including also the (bogus) self-employed and fleet workers. There are also other universal social benefits stemming from a hybrid welfare state, such as modest family support benefits, child-raising benefits, prenatal allowance, childcare fees, and accident-related benefits. Nevertheless, and relevant for platform workers, there is no specific insurance against accidents at work or occupational disease, but these risks are covered by the more general insurance schemes for those active in the labour market (Albert and Gál 2017). Most worryingly, platform work among social cohorts, such as insured students, seems to undermine the system itself: namely, students are insured via general contributions, which are, however, the base of their 'competitive employment' also via student cooperatives for platforms.

Social security of platform workers is also a challenging issue in Czechia and Slovakia. In Czechia, sickness insurance is not mandatory for the self-employed or people employed under the 'Agreement to Perform Work' with incomes under 3,000 Kč (around €116). The self-employed can decide to make voluntary contributions, which indicates that many platform workers have no access to sickness benefits or prefer to earn more in cash rather than contribute to their sickness benefits. As indicated earlier, platform work is rarely practised as the main job, and workers draw their social rights from other employment, using platform work mostly for additional income (Kahancová et al. 2020). Hence the precarity paradox in platform work: while precarity persists, there is a lack of pressure to decrease it, as workers draw their social rights from employment contracts in the traditional, not the platform, economy.

5. Income

Low wages in platform work are systematically documented across CEE countries (Piasna and Drahokoupil 2019). Within the overtly low wages, activities requiring higher skills or personal interaction were associated with relatively higher income (ibid.). Creative microwork

and IT work, next to personal and household services like tutoring and childminding, yielded relatively the highest income for workers performing them. The reported share of annual income averaged around €200 (€100 in Bulgaria). Piasna and Drahokoupil (2019) suggest that many earnings from platform work remain undeclared or under-declared. Moreover, market contractions make income from platform work largely unpredictable. Platform work for many means seasonal, temporary work, one which did not have alternatives at the time, or its attractivity lasted only for some period when the market peaked (Kahancová et al. 2020; Meszmann 2018).

In Czechia, earnings of occasional Uber Pop drivers were estimated well below the legally stipulated minimum wage (Krajčík et al. 2017). Estimated earnings of professional Uber drivers then exceeded the minimum wage, but remained below the earnings of standard taxi drivers. People employed via a 'fleet system' are typically paid the minimum wage and the rest of their earnings is paid in cash to minimise the tax burden (Tomeš 2017). Thus, in Czechia, self-employed workers are not covered by the minimum wage legislation. According to media reports, people employed on platforms through the 'fleet system' (i.e. having a 'work agreement' with an intermediary, who typically also provides tools necessary for platform work in exchange for a cut of earnings), typically get paid minimum wage officially and the rest of their earnings is paid in cash to minimise the tax burden (ibid.).

In Hungary, the legislation stipulates that small entrepreneurs earn not more than 50% of their income from one contractor. This stipulation resembles a cap on bogus self-employment and aligns with the previously discussed evidence that in Hungary platform workers mostly work as small individual contractors and fleet workers. In both cases, earnings extensively depend on customer demand. In turn, this supports the presented finding that platform work is mostly an additional, not the main, source of income and a part-time activity (Meszmann 2018).

In Slovakia, income levels from platform work lack transparency; and drivers claim lack of discretion and negotiation power over their remuneration, which is set by the platform (Sedláková 2018). Limited evidence exists (e.g. for Uber) where the average hourly gross wage reached €7.50 in 2016 and €8.90 in 2017 (ibid.). On a job-seeking portal Profesia, Wolt is offering in 2021 a gross income of €1,500–2,200 per month with self-employment status. Uber drivers working within a 'fleet', working mostly under smaller contractual agreements are not paid according to Uber's remuneration policy, but based on an hourly rate defined by their fleet employer. This indicates an outsourcing of the platform's remuneration policy onto the subcontractor – in this case, the partner employer through which the drivers are obtaining a legal employee status.

In addition to income levels and regulations, specific national income tax stipulations for low income yield various advantages and disadvantages for platform workers. According to the Income Tax Code of Czechia, people who work through platforms as self-employed workers can choose between deducing actual business expenditures (including the cost of equipment such as a car for drivers and couriers and its maintenance) to lower their tax burden or simply claim 60% of their earnings as expenditures without the need to list actual expenses incurred. A similar arrangement is possible for small entrepreneurs working as drivers or couriers in Hungary, who have to pay a fixed monthly tax (ca €150), irrespective of their income. Moreover, the adapted 2021 taxation rule negatively affects the self-employed small entrepreneurs: a decree sets that their income cannot be higher than HUF 3 million annually (about €8,000) from one client. If a self-employed worker works for such a contractor, extensive taxation levels apply (40%, compared to a possible minimum of 5%). This provision might negatively affect the incomes also of on-location platform workers (i.e. in deliveries) that earn their income working for a single platform.

Finally, the fact that platform work in Slovakia is mostly a secondary income for the workers yields platform work to face a higher marginal tax rate than the first source of income from other types of work (Chovanculiak, 2018). In the context of precarity, such as lack of job security, varying income and lack of work autonomy, high taxation on additional work may demotivate workers to increase their share of work in the platform economy.

6. Working time

People working through platforms try to overcome the low-wage problem by working longer, often up to 12 hours a day. Precarity thus also derives from unpredictable working hours and overall working time, meaning also excessive and often unpaid overtime.

In Czechia's fleet worker arrangement for drivers working for platforms, if more working hours are needed, the work is typically covered by an additional type of a small-scale contract – the 'Agreement to Perform Work' (*Dohoda o pracovní činnosti*), which is limited to half of 'determined working hours' for the job, so if the job is defined as a full-time driver, the limit is 20 hours, derived from a 40-hour legislatively stipulated working week.

In Hungary, the marginal employment contracts with fleet companies are common for 2 or 4 hours per day, whereas the actual working time could be 12 hours. As Bolt drivers did not own, but rented the car from fleet companies, they had incentives and a pressing need to maximise the working hours in hope for a higher income. In addition, Bolt also unilaterally set minimal working hours and, during the pandemic, increased the customer rating threshold, which jeopardised the drivers' job security. Next, food delivery platforms state in their terms and conditions the requirement from their partners-drivers to take up shifts (in case of delivery platforms), be active at least a certain number of hours, increase bonuses for weekend work, but do not specify limits in working hours, neither daily, weekly or monthly level (at least not publicly). The maximum working hours are not defined. On-location platform workers in delivery, transport but also microwork seem to have at least seasonally or periodically peaking very long working hours, as defined by market oscillations. Unfavourable contracts with an intermediary (e.g. the fleet companies), which builds on an unequal position of economically dependent workers, suggests that working time could be extended until a desired performance or income is reached. The much-pronounced flexibility and autonomy in practice translates into very long, unpredictable, or unfriendly working time arrangements for other full-time platform workers too.

In Slovakia, Uber representatives reported that in 2017 more than 40% of Uber drivers worked less than 10 hours per week (Sedláková 2018). Similarly, Bolt reported in 2018 that only 20% of their drivers work full-time; and an average working time for the app is 12 hours per week with an average duration of working for the platform of three months (ibid.). In microwork, especially in personal and household services, relatively low remuneration and unclear distinction between working and resting hours can also lead to an accumulation of overtime work (Sedláková 2020).

In sum, platform workers in CEE are exposed to irregular and underregulated working hours. These are defined on the one hand by market oscillations, on the other by the workers' own desire to work long hours to earn a sufficient income via platform work. The contracted hours and the real hours worked are often in discrepancy. Unfavourable contracts with an intermediary (e.g. the fleet companies), which build on an unequal position of economically dependent workers, suggests that the working time of platform workers could be extended until a desired performance or income is reached. The much-pronounced flexibility and autonomy in practice translates into very long, unpredictable, or unfriendly working time arrangements for other full-time platform workers too.

7. Autonomy at work

An intensively discussed topic related to platform work is the autonomy versus control of workers, which often happens via algorithmic management of platform operations. Workers' autonomy is often subordinated to customer and algorithmic requests, and their activity may be exposed to situations to which they lack control.

Beyond general data protection rules and rights for privacy, as anchored in national legislations, none of the studied CEE countries introduced regulations related to algorithmic management and its impact on platform workers. If such regulations appear in the future, they are likely to derive from the broader ethical and strategic approach of the national governments vis-à-vis artificial intelligence and its impact on society. Otherwise, the debate on whether/how algorithms can impact human work, including the matching process allocating work to platform workers and exercising control over their work, the termination of their contracts, or deactivating their accounts on platforms, is just very slowly gaining policy attention in CEE countries. For example, the Czech civil law stipulates the right to privacy following the Czech Constitution and the EU Charter of Fundamental Rights. However, compliance with data protection legislation is not sufficient for protecting platform workers' autonomy at work. According to some legal opinions, monitoring systems implemented by platforms – such as location tracking, taking screenshots, and recording through computer cameras – may violate the privacy rights of workers (Fialová 2017). These opinions have not yet been tested in court cases, as no cases were filed in any of the studied countries.

The low awareness on constrained autonomy at work of platform workers is connected with low pressure to change this situation. Since platform work is mostly executed as a source of secondary, additional income, workers do not feel pressured to attempt to improve their working conditions, since they draw their social security rights, labour market status and income from their main job (Kahancová et al. 2020). The combination of the two factors – lack of pressure from workers themselves, and lack of pressure from the policy stakeholders – leaves regulation and debates on the algorithmic management and platform workers' autonomy at work outside of stakeholder interests.

In addition to exercising control and constraining autonomy at work, precarity also derives from limited access of platform workers to training and skill development, lack of career opportunities, exposure to work-related stress, lack of information, and exposure to immediate feedback, ranking, and direct rating systems of platform workers' work from clients. Multinational platforms engage directly with their workers individually and via their apps or websites, using standard terms and conditions and online exchange of information and data. Although there is an opportunity to provide feedback by the worker on customer ratings and to seek remedies for unjust procedures, in practice it is not easy to communicate worker requests.

Provisions or initiatives regulating the right of access to training for platform workers are non-existent in Czechia and Slovakia. Particular platforms, especially those operating as multinationals across different countries, may offer standardised training to platform workers. This practice has been reported by Slovak drivers, which, however, complained in research interviews about a lack of access to professional training (Sedláková 2018). Provided training is related to their initial introduction to the type of work rather than to workers' professional development. In Hungary, initiatives in terms of training and self-education sporadically appear via self-help groups and associations, such as at the freelancerblog.hu website. Autonomy at work, for many interviewees, more creative platform workers in Hungary, meant the need for careful design of own labour allocation and knowledge about the platform's algorithm. A common complaint was, however, that at the start of their job, there was no clear introduction

and explanation of how the system works; one had to experience it and try to find a 'coping' mechanism (Meszmann 2018).

7.1 Representation

The status of platform workers as individual entrepreneurs does not make them eligible for trade union membership. In most CEE countries, trade unions focus on employees in standard contracts and typically operate in larger workplaces. Only in a few instances did platform workers manage to self-organise into associations and engage in protests (Golušin 2021). Precarity thus stabilised in a sense of systematic lack of collective voice for an increasingly visible social cohort. The fact that platform work is mostly exercised as a secondary job and income leaves little incentives on the workers' side to organise and seek trade union support (Kahancová et al. 2020).

Support for platform workers and general attention to discourses related to platform work is also marginal from the existing trade unions. In Czechia, established trade union organisations have not exerted efforts to organise platform workers. They have been critical of platform work like it, like other forms of (bogus) self-employment, exacerbates the problem of financing the social security system, which is disproportionately financed from employee contributions and inadequately addresses pension rights of the self-employed. In Hungary, there are few, more general, civil associations whose work is relevant for platform work. Drivers and food carriers organise only via closed Facebook groups and are unable to agree on a formal organisation. The digital setup of the platform economy also hinders workers' organising efforts in Slovakia, where some social media groups exist, but in general, platform workers claim to have a lack of access to their colleagues (Sedláková 2018).

The non-existence of social dialogue in platform work in CEE countries is corroborated also by the lack of interest on the side of the platforms. Rather than employers, platforms present themselves as digital or technological businesses not active in the traditional economic sectors; and their general position is to avoid the traditional national employer organisations and social dialogue mechanisms. Platforms instead engage directly with their workers individually and via their apps using standard terms and conditions and online exchange of information and data. An interesting exception to this is the fact that upon the court-driven suspension of Uber transportation services in 2018, Uber joined the peak-level employers' association RÚZ SR (*Republiková únia zamestnávateľov Slovenskej Republiky*). Uber can thus be perceived as an employer or is at least not strictly demonstrating against this perception in Slovakia.

To summarise, exposure to precarity of platform workers in CEE is demonstrated in lack of job stability, low and irregular income, irregular working time and fragmented employment trajectories, reduced access to social rights and training opportunities, as well as lack of work autonomy and collective interest representation. Platform workers thus find themselves in a vicious cycle, being torn between flexibility and freedom of contracting on the one hand, and a fight for collective and individual labour and social rights on the other hand.

8. Conclusions

Adopting a multi-dimensional perspective, this chapter took stock of the empirical evidence from selected CEE countries to analyse the precarious nature of platform work in CEE. Although the platform economy penetrated the CEE economies with some delay compared to the rest of Europe, the fragmented and ineffective labour law architecture allowed accommodating platform work while doing little to address the challenges of precarity. The success of platforms in the region can be attributed to their swift construction of new labour markets,

in which they efficiently appealed and communicated an earning opportunity. Insecure and temporary jobs, which occasionally pay well but more often serve as a source of additional low income, overshadow and put into background the very institutional arrangement in the given country, such as health and safety regulations, or social rights of employees.

Platform work is then embedded in these countries' segmented labour markets in a way that it coexists with other forms of atypical, precarious employment forms. At the same time, it represents an opportunity for labour market integration of some disadvantaged groups, migrants in particular, albeit only in a precarious way. There is however little pressure to decrease this precarity, given the character of platform work as a secondary source of income, and due to workers drawing their rights from other, regular jobs (cf. Kahancová et al. 2020).

The actual variety of employment forms revolves around self-employment, undeclared work and various forms of marginal employment through subcontracting. Existing legislation has not been applied, or adopted, to accommodate the specificities of platform work. There is a rising drift between the formal and informal, an immense space for atypical employment forms evolved (Meszmann and Fedyuk 2019). Evidence suggests that the rise of platform work coexists with other kinds of casual and undeclared work that are typical and entrenched in CEE labour markets, where social protection comes of secondary importance. Via jobs in the platform economy, digitalisation only seems to facilitate a more intensive pressure on the jobs in the traditional labour market. In turn, the relatively unregulated nature of work in the platform economy undermines the spirit of social and labour law.

As the platform workers in CEE face precarity along several dimensions, they also face the inertia of trade unions that lack capacity to deal with this issue and work towards decreasing precarity and improvement of working conditions of platform workers. Platform workers organised themselves only via online, closed discussion groups, and very rarely had some links to formal associations. Typically, platform workers were not aware that organising through trade unions could help them or represent their interest. In CEE, trade unions adapted to an economic model based on a dual labour market and were constrained to organise those in the formal labour market, predominantly in the public sector and medium and large enterprises, in which an employment relationship is the norm. Simultaneously, unions rarely organised workers in small shops, as this provided costly and highly limited benefits. All this, in a situation where their membership was in decline for decades and amid rising capacity problems and loss of influence over economic and social policies as well as consultation over legislation. At the same time, trade unions are increasingly aware of emerging issues stemming from platform work, however, they have different pressing priorities, that concentrate on problems associated with their core constituency in employment relationship (Makó et al. 2020; Meszmann 2018). Trade unions in the region thus do not appear to have means and capacities to organise and represent platform workers, who are often in most need for collective representation.

Platform work thus represents yet another threat to the effectiveness of standard employment relationship in protecting vulnerable workers. Not only do platform workers not organise in unions, their presence creates pressures on deregulating labour relations and lifting institutionalised protection for workers, including collective interest representation and social insurance. Platform work received marginal attention also by employer organisations, and typically did not appear as a topic of social dialogue. Given the lack of interest representation organisations, state agencies play a major role in shaping and delineating the exact space for platform work. However, the labour authorities lack initiative to address the high informalisation and bogus self-employment. Tax authorities thus seem to be the most active agents, indirectly regulating platform work. Platform work thus seems to be a fortified reality in the dual labour markets in CEE, a silently accepted fact, a less formal, non-standard work arrangement that no actors really challenge.

Note

1 ETUI will publish results of the 2020 wave of its survey in early 2021.

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22

AMBIVALENCES OF PLATFORM WORK

The gig economy in Germany

Sophie Rosenbohm and Fabian Hoose

Platform work has been a much-debated topic in academic and political discussions in Germany in recent years. In many of these discussions, a distinction is made between platform-mediated but locally performed services and platform-mediated and online performed activities. Against this backdrop, the article examines how widespread this new type of work is and discusses the diverse landscape of platform work in Germany.

1. Platform work: definition and terminology in use

Due to the diversity of platform work, which is also rapidly evolving and changing (Huws et al. 2017: 13; Vallas/Schor 2020: 274), no uniform terminology has yet been established in the German-speaking research landscape to describe this fairly new phenomenon. However, the term *platform work* is increasingly used as a generic term (Ellmer et al. 2019: 12), although it has so far not been used entirely consistently in the literature. According to this understanding, platform work mainly refers to the matching of supply and demand of paid labour through online platforms. In Germany a distinction is quite often made between platform-mediated but locally performed services (known as *gig work*) on the one hand and platform-mediated and online performed activities (often referred to as *cloudwork* or *crowdwork*) on the other (Schmidt 2017: 5). Thus, and in contrast to the Anglo-American analysis, *gig work* is often not used as an umbrella term but rather specifically refers to those activities that are mediated digitally via online platforms but delivered physically on location for a customer. This includes, for example, food delivery services, craft services, driving services/ridesharing or household-related services.

In contrast, the terms *cloudwork* or *crowdwork* refer more specifically to those activities that are not only coordinated via platforms but also performed online. The term *crowdwork* emphasises that tasks are advertised to an undefined 'crowd' of potential workers. The distinction made between *gig work* and *crowdwork* has been used to elaborate on how specific features – for instance, if they are location-dependent or not – shape the form of work and go along with specific requirements for their regulation. For instance, crowdwork is not fixed to certain locations and can, in principle, be carried out at any time and any place. At the same time, crowdworkers are separated from each other, limiting social interactions and collective organising (Ellmer et al. 2019: 31).

Besides the distinction made between locally performed services and online performed activities, platform work is also categorised on the basis of content and complexity of the

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performed tasks (Krzywdzinski & Gerber 2020: 27). So-called microtasks, which are highly standardised, require no special qualifications and are usually remunerated per task, represent one end of the spectrum. This includes, for example, addressing research or image descriptions. Due to these specific characteristics, this type of platform work is also referred to as *clickwork* in the literature (Eichhorst & Linckh 2017). Macro-tasks are situated at the other end of the spectrum, which are significantly more complex and time-consuming. Moreover, specialised knowledge and problem-solving skills are required to complete these kinds of tasks. While registration on a platform alone is often sufficient for microtasks, platforms often check the qualifications of prospective workers interested in macro-tasks before assigning those tasks; these cover, for instance, qualification tests or the requirement of handing in work samples (e.g. for translations or copywriting tasks). Quite often, ranking mechanisms on the platforms are used as well. Only when platform workers complete a certain amount of 'easier' jobs and achieve a certain ranking are they offered more complex and challenging assignments (Warter 2018: 248). A further classification is made in the literature along with different functions and modes of platforms that mediate and coordinate paid work activities. According to such considerations, Mrass and Peters (2017: 14–15), for example, distinguish seven distinct types of crowdworking platforms in Germany:

- Content/copywriting platforms
- Design platforms
- Innovation platforms
- Marketplace platforms
- Microtask platforms
- Testing platforms
- Platforms in the field of customer consulting, market research and sales

Similar platform typologies can also be found in other studies. For example, Leimeister et al. (2016: 18) classify crowdworking platforms in Germany into five different groups ranging from microtask platforms and marketplace platforms to design platforms, testing platforms and innovation platforms. Thus, a variety of platforms for crowdwork and gig work exist in Germany that initiates a competition for assignments and act as intermediaries for matching buyers and sellers of paid work.

2. Surveying the landscape of platform work in Germany

Due to different understandings and lacking clear definitions of the term platform work, quite different figures regarding the spread and volume of platform work in Germany exist. Overall, figures on platform work tend to be rather imprecise with limited comparability. One problem in surveying the landscape of platform work in Germany is linked to the fact that no comprehensive administrative data on platform work is yet available. Official figures only exist for self-employment and solo self-employment, but these aggregates, however, do not provide sound information on platform work. In addition, the figures presented here should only be understood as snapshots due to the highly dynamic and constantly changing nature of the platform economy. New providers are entering the market, while others disappear either through mergers or closures (Vogl 2018: 24f). Thus, existing studies approach the phenomenon from different angles in order to capture information about how widespread platform work in Germany is. Some studies focus on the number of platforms and the size of the industry, while others try to determine the overall number of platform workers and the size of the labour market.

In order to get a notion of the importance of platform work in Germany, it is worth taking a look at the platform providers. It should be, however, taken into account that these platforms act on an international basis, which can be accessed from anywhere in the world. Often, the only requirement is access to a computer with an internet connection (see for a critical perspective Newlands & Lutz 2020). In addition, sufficient language skills must be available to understand the respective assignments. In this respect, English-language platforms are accessible to more (potential) platform workers than German-language platforms. However, many platform providers, especially those operating internationally, are increasingly operating multilingual websites in order to be able to better fulfil customer requests (Schönefeld et al. 2017: 17). Since gig work refers to locally performed services, this type of platform work is, however, much more bound to specific regions.

The overall number of such platforms is therefore difficult to determine. Schmidt (2017: 3) reports thousands of platform providers internationally, some with very different business models. Leist et al. (2017: 12) cite a figure of around 2,000 crowdsourcing platforms worldwide. A study by the World Bank assumes that the global turnover of the 'online outsourcing industry' will continue to grow and was already around $2 billion in 2013 (Kuek et al. 2015: 19). The study reports 145 identified platform providers worldwide, although it can be assumed that the actual number is even higher (Kuek et al. 2015: 18). Focusing on German-language platforms on which online activities are mediated, Schönefeld et al. (2017: 7) identify about 50 providers, of which, however, less than half (19) were based in Germany. One problem in determining the exact number of active platforms in Germany is that they are not recorded in official statistics. Research interested in the number of platforms active in Germany, therefore, usually relies on desk and internet research (Leimeister et al. 2016a: 33; Schönefeld et al. 2017: 7). Mrass and Peters (2017: 9) also use expert interviews and feedback from surveyed platforms on competitors as additional data sources. Using this methodology, they identified a total of 32 crowdworking platforms that were both active and had a physical location in Germany (Mrass & Peters 2017: 9f).

In order to obtain an overview of the number of platform workers presently active in Germany, basically three possibilities exist: based on the information provided by platform operators, Mrass et al. (2019: 179) estimate the number of active crowdworkers in 2017 to be around 1.1 million. Some of the user figures disseminated by platforms themselves can be seen as an indication that the number of platform workers could well be within the relevant range. For example, the German platform *Clickworker.de* reports a number of registered platform workers of over 2.8 million (www.clickworker.de/unsere-crowd-die-clickworker/). However, such data should only be understood as a rough estimator since self-reported figures might be significantly inflated due to the fact that platform providers benefit from a large number of reported users.

Then again, such an approach would also have to distinguish between actually active and inactive registered users (Serfling 2018: 9). The World Bank study cited earlier assumes that the number of active users is ten times smaller than the number of registered users (Kuek et al. 2015: 19). Inferring the number of crowdworkers from the number of registrations is further complicated by the fact that crowdworkers can be simultaneously registered on several platforms. Pongratz (2019: 194) assumes that in Germany, 500,000–1,000,000 people are registered on crowdwork platforms, of which 100,000–300,000 are actively engaged in crowdwork. His estimations are based on a comparison of other studies, including the estimates of the World Bank study, which are then extrapolated to Germany (Pongratz & Bormann 2017: 164). However, Pongratz also assumes that only 1,000–5,000 people generate enough income on such platforms to make a living from it.

In large German socio-economic surveys, platform work has not been covered yet, which is mostly linked to the lack of a clear definition and the difficulties of categorising platform

work appropriately (Pongratz 2019: 193; Bonin & Rinne 2017: 9f.). Nevertheless, a number of smaller surveys try to capture the extent of platform work in Germany. The estimated numbers, however, vary widely, ranging from less than 1% to almost 6% of the workforce, depending on the methods used and applied definitions of platform work.

Based on an online survey ($N = 2{,}180$), Huws et al. (2017) estimate the number of 1.45 million German crowdworkers, which means, according to their definition, that 2.5% of the German workforce generates at least half of their income through crowdwork. The 'Crowdworking Monitor' (Serfling 2018, 2019), funded by the German Federal Ministry of Labour and Social Affairs, based on a survey of internet users, assumes that 4% of the resident population in Germany are currently active platform workers. According to their estimates, however, only 2.3% are active and generating an income (Serfling 2019: 12). The proportion of people who have an affinity for being active on labour platforms, this includes not only people who have already been active as platforms workers in the past but also people who can imagine doing so in the future – is significantly higher (9.2%) (Serfling 2019: 1).

The figures presented in the Crowdworking Monitor are somewhat lower than the results on the prevalence of platform work obtained by Pesole et al. (2018) based on evaluations of the JRC COLLEEM survey. The survey investigates how many people are active on digital labour platforms, which include all platforms on which services are brokered (Pesole et al. 2018: 7). Based on the follow-up survey COLEEM II, the estimated proportion of people working via such platforms adds up to 5.7% of the total working-age population in Germany (Urz'Brancati et al. 2020: 16).

Bonin and Rinne (2017: 11), however, come to a different conclusion based on a telephone survey. According to their study, only 0.27% of the German population is currently engaged in crowdwork and another 0.61% in gig work. However, they point out that platform work is difficult to encapsulate in such telephone surveys due to the rather unclear term itself, which is unknown to many respondents (Bonin & Rinne 2017: 9f.). While internet surveys may overestimate the numbers due to their focus on people already active on the internet, telephone surveys are likely to create the opposite effect (Serfling 2019: 8). Once again, this underlines how difficult it is to obtain reliable data on the exact size of this segment of the labour market in Germany. Against this backdrop, other studies have taken a different approach by posting the respective questionnaires as tasks on similar platforms (Leimeister et al. 2016: 26). On the one hand, this method is well suited to directly address the group of interest; on the other hand, however, this limits conclusions on general patterns. In addition, statistics on platform work have to be assessed against the background of the overall size and structure of the German labour market. In 2020, roughly 44.8 million people were in employment, among them 40.8 million employees and around 3.9 million self-employed persons (Destatis 2020). Regardless of differences in definitions and measurements, this underlines the fact that self-employed platform work is still far from being the standard model of employment in Germany.

Overall, the landscape of platform work in Germany appears to be quite diverse. Not only with regard to tasks and platforms but also with respect to the workers themselves. Among them are students, retirees, and persons who do perform platform work as a side job but also people who want to use platform work to make a living or to obtain new market access. Research findings underline that only a minority of platform workers in Germany work full-time on such platforms, and platform activities are not the main source of income but, first and foremost, a supplement to other earnings (Leimeister et al. 2016; Schönefeld & Hensel 2019: 19). Thus, those activities seem rather to function as a secondary source of income alongside full-time or part-time employment – for instance, in the course of university education (Pongratz 2019; Krzywdzinski & Gerber 2020). Lately, it has been discussed whether the domestic

labour market and welfare institutions shape this specific pattern. By comparing crowdwork in Germany and the United States, Krzywdzinski and Gerber (2020) argue that the relatively high level of social welfare benefits in Germany might lead to fewer incentives to use crowdwork as a primary source of income.

Platform workers in Germany differ greatly in terms of their socio-demographic characteristics, their qualifications and also their motivations for choosing platform work. Leimeister et al. (2016) show that crowdworkers are usually quite young (36 years on average) and are often active on several platforms at the same time. Men in Germany seem to take on platform work slightly more often than women, although there are great differences according to platform type. The high level of education of the respondents is striking (Leimeister et al. 2016a, 72f). Contrary to earlier assumptions, only a few people with disadvantages on the labour market (e.g. due to a low qualification level) seem to be active as crowdworkers in Germany. The average earnings of these workers appear to be relatively low (Leimeister et al. 2016a: 44). However, considerable differences seem to exist with regard to the tasks performed. In particular, microtask platforms provide low wages and fixed incomes cannot, therefore, be calculated for tasks awarded via competitions. In addition, the often time-consuming search for suitable tasks is unpaid and unrewarded. For these reasons, the situation for crowdworkers is sometimes described as precarious (Gerber 2020: 189). However, the income generation is subject to a wide spread. According to Serfling (2018, 2019), for example, decisive differences can be observed between those who economically depend on platform work and those who use platform work as to supplement their other earnings. Moreover, self-employed persons who are active on marketplace platforms (e.g. platforms for design work) might use platform work to broaden their customer network or expand their portfolio but do not rely solely on those platforms for income generation.

3. Platform work: employment and working conditions

The analysis of platform work and the employment and working conditions can be roughly divided into two areas: on the one hand, those studies that primarily focus on platform-mediated but locally performed services, and on the other hand, studies that focus on online performed tasks. The second strand of research initially focused on simple microtasks; in more recent times, however, the perspective has been broadened and the characteristics of different types of tasks have gained more attention. Overall, the opportunities to earn money are especially limited in the case of microtask platform work (see Section 2). Thus, the question of working and employment conditions and, in particular, the question of precarisation tendencies are at the forefront and is most frequently addressed in the sociological analysis of platform work in Germany (Papsdorf 2018: 423).

Platform work is generally assessed against the background of its deviations from the standard employment model. With such a perspective, the employment conditions of platform work are moving into focus. Even though platform work remains rather marginal in size in relation to other segments of the German labour market (see Section 2), these types of work arrangements, nevertheless, might threaten the existing systems of social security and labour protection by converting employment into the far less regulated area of self-employment. Despite the far-reaching deregulation of the German labour market over the last decades (Eichhorst & Marx 2011), a relatively high level of labour protection by law and social institutions still exists. These institutions mainly apply, however, only to employed persons. Platform workers who are often not defined as employees are thus highly vulnerable, having no coverage or protection against dismissals, co-determination rights, minimum wage legislation or social security contributions.

In this regard, it has been widely debated as to whether the platform economy fuels the further spread and intensification of atypical work arrangements and non-standard employment, especially of precarious solo self-employment (Keller & Seifert 2020: 242). By shifting the risks on to workers who are not protected by labour laws, platform work might intensify even further the dualisation of the labour market and, overall, fundamentally change the organisation of work.

Some studies, however, also point to positive aspects of platform work for groups that face barriers on the labour market since no specific occupational qualifications and licenses are needed for many types of platform work (Kirchner 2021: 15). However, voices have been raised accusing commercial platform companies of using the common good orientation of the 'sharing economy' (Scholz 2017) to conceal unfavourable working conditions (Hertwig & Papsdorf 2018: 523). As a result, empirical studies have focused on protection and regulation problems in conjunction with platform work, as well as on the blurring of boundaries of work (Schönefeld 2019: 76). In this respect, the research on platform work is linked to the broader research agenda on the digitalisation of the working world (Hoose 2018). This research strand also examines the opportunities and risks (e.g. with regard to working conditions), labour market effects, and in particular, the use of digital technologies in production work (i.e. so-called Industry 4.0). In these debates, platform work serves as an example that stands in stark contrast to other types of employment and, thus, raises the question as to whether it will undermine the existing company-based organisation of the labour force.

In Germany, particular attention has been paid to the area of locally bound gig work, especially food delivery services and their employment as well as working conditions. Precarious working conditions are quite apparent here and also collective counter-actions against those conditions have emerged in recent years. Some restaurants had already been delivering food orders using their own employees before this sector became a separate market for platform work with providers such as Deliveroo, Foodora and now Lieferando. The market for food delivery in Germany was characterised by a robust competition between different platform operators belonging to multinational companies. Since then, the market has, however, consolidated. Following takeovers and market exits, the market for food delivery services is currently effectively dominated by one company (Heiland & Brinkmann 2020: 123). The working conditions of 'delivery riders' in Germany are described as notoriously precarious (Heiland 2019: 303). It is physically demanding work and the algorithmic allocation of orders as well as their digital tracking leads to a constant time pressure (Schreyer & Schrape 2018). Moreover, the autonomy over the use of working time is restricted by the allocation of orders to specific peak times during the day. If, in addition, the riders are paid according to completed orders and not according to working time, this is even further potentiated. Since the platforms attempt to cut costs by not providing all necessary work equipment this is also referred to as 'digital day labour' (Lücking 2019: 1).

A specific characteristic of platform-mediated work is the triangular relationship between client, digital platform and contractor (Kirchner 2019: 7). This applies both to digital and location-based platform work. The growing importance of platform work results not only in new forms of flexibilisation of employment, but also constitutes grey areas in labour law. There has been a controversial debate about bogus self-employment and the employee-like status of platform workers (Kocher 2019). A special feature of food delivery services compared to other forms of platform work in Germany is that some of the riders are not, or were not, self-employed but were employed by platform companies (Hoose & Haipeter 2021: 152). Particularly because some platforms initially employed their workers using (temporary) employment contracts but later dealt with them as self-employed, questions arose about the actual

status of these persons. In this respect, the platform companies are accused of saving social security costs at the expense of their workers. By doing so, platform companies also circumvent co-determination obligations that would result from an employee status. Both aspects play an important role in evaluating the precarisation potential of platform work and are also examined in the context of labour law debates (Schneider-Dörr 2019; Schwarze 2019; Waas et al. 2017).

Even in those cases of platform work where the self-employment status appears to be less controversial, structural problems of these work arrangements are underlined. Taking the example of (solo) self-employed craftspeople who use digital platforms to acquire orders, Lorig (2018) shows how precarious entrepreneurship emerges here. The presence and acquisitions of tasks via platforms has become self-evident and obligatory. At the same time, however, this is associated with a growing and direct dependence on the market (Lorig 2018: 254). This is reflected, by among other things, a growing dissolution of boundaries, which means that working hours are more and more oriented towards customer and market requirements (Lorig 2018: 258).

It is an indisputable fact that platforms are far more than mere mediators of work. In fact, with their digital infrastructures and automated decision-making processes via algorithms, the structure work processes and, thus, enable and restrict the action of their workers. Likewise, they also shape the composition of platform workers through self-imposed conditions of participation. The structuring of work and the elaboration on the specific organisation of work on platforms also play a central role in the research dealing with crowdwork. In the literature, crowdwork is also referred to as 'digital Taylorism' (Altenried 2020). Crowdwork, especially on microtask platforms, is characterised by repetitive activities that are also subject to despotic control (Gerber 2020: 184). This is justified by extended digital monitoring and control possibilities, which are partly automated and referred to as 'algorithmic management' (Krzywdzinski & Gerber 2020: 28; Rani & Furrer 2020). The exact modes of operation of the algorithms are not known to the platform workers. This systematically creates zones of uncertainty that cause them to behave in a specific way, acting in such a way as to make workers believe that they will be rewarded by the platform's algorithm. This form of algorithmic management might also become more relevant for other employees when companies experiment with and adapt these logics – for example, by using internal crowdsourcing practices (Leimeister et al. 2020).

At the same time, online-performed platform work exhibits a high degree of autonomy with regard to working time and the monitoring and control functions of the platforms also require a certain acceptance by the workers (Gerber & Krzywdzinski 2019). Because no employment contracts are negotiated, crowdworkers have in principle the option of leaving the platform and working with a competing provider in case of dissatisfaction with their working conditions. On the other hand, crowdworkers are also dependent on being offered work by the platforms. For this, they must be sufficiently well placed in the corresponding rankings of the platforms. In order to be able to achieve a correspondingly good ranking, however, they must remain permanently on a particular platform. In addition to which, platform workers must also be very flexible in terms of their working hours; this especially applies in those cases where tasks are assigned based on the 'first come, first serve' principle.

The acceptance of these working conditions is linked to the platform-specific form of indirect control (Gerber 2020: 191). As a result, crowdworkers do not have the feeling that they have to submit to or work for 'the machine'. At the same time, however, they recognise that they can work more successfully on platforms if they adapt their actions to the assumed modes of operation of the platform algorithms. Other studies dealing with the perception of crowdwork by platform workers also show a nuanced picture (Feldmann et al. 2018: 28). According to these studies, a high degree of satisfaction with regard to (at least perceived) flexibility exists. Furthermore, crowdworkers enjoy their activities and believe that they can build up

qualifications through platform work. The strong competition between platform workers and the overall limited possibilities for income generation are, however, perceived negatively. This points to the existing ambivalence of platform work.

4. Regulation of platform work

Even though platform work currently accounts for only a small portion of the labour market and is far from being the dominant employment model in Germany – and will not be in the foreseeable future – there is a need for regulation at the national as well as international level (Eurofound 2019; Garben 2017; Dolata 2019). The opportunities but also alleged problems and negative consequences of platform work (precarisation and potential displacement of existing employment) have been widely debated among political and social actors (Deutscher Bundestag 2013: 47). In the German context, it is of particular importance that the regulation of work is still linked in many ways to the prevailing model of dependent, company-based employment. This applies, for example, to labour law issues, data protection regulations and social security, as well as co-determination (Pfeiffer et al. 2019: 750).

There are two fundamental challenges for the regulation of platform work in Germany. The first refers to employee protection under labour and social law. Currently, platform workers are often regarded as self-employed. Due to this status, they are not covered by the same provisions, related entitlements, and representation rights of employed workers. However, there is an ongoing discussion as to whether platform workers actually constitute of a form of dependent self-employment (Kocher 2019). This raises the question of whether platform workers should rather not be considered dependent employees. Against this backdrop, the German Federal Ministry of Labour therefore claims that the clarification of the status (dependent employee or self-employed) is a central challenge for the future regulation of platform work (BMAS 2020). Trade unions are also calling for an expansion of the definition of an employee in order to better cover solo self-employed workers working on labour platforms (Greef & Schroeder 2017). Trade unions are thus addressing this problem of legal institutions by means of political lobbying.

Even more important for the regulation of platform workers' interests by trade unions is the second challenge. This concerns the representation of the work-related interests of platform workers and their organisation as members of trade unions. Trade unions can only speak for platform workers if they represent their interests effectively. At the same time, however, they can only represent them effectively if they rely on organisational power. The conditions for this are, however, quite challenging. Primarily, this is due to the fact that platforms are not or do not want to act as employers (see the previous discussion). Consequently, platforms refer to the fact that they only mediate work. Secondly, platform work fosters individualised work relationships. Especially in the case of platform-mediated and online performed work neither co-presence nor a direct exchange between platform workers exist. Platform workers are also often not represented by work councils due to their legal status as self-employed. According to the current legal situation in Germany, this applies at least to most areas of platform work, thus eliminating the social contexts that usually favour union membership.

Trade unions have, nevertheless, become increasingly involved in the regulation of platform work. The best-known and most elaborate initiative is the Fair Crowd Work initiative of IG Metall, which was launched in 2015 (Hoose & Haipeter 2021: 157ff). The declared goal of the initiative is to create fair and equitable working conditions for platform workers. In particular, it addresses employees who work in the areas of 'crowd-, platform-, and app-based work' (http://faircrowd.work/). The initiative collects information about platform work on its homepage and makes it available. It also seeks to engage in dialog with platform operators. Thus, the

initiative is involved in the so-called code of conduct: 'Ground Rules for Paid Crowdsourcing/Crowdworking' (http://crowdsourcing-code.com/). This code of conduct was presented in revised form in 2017 and has since been signed by nine platform companies and continues to be supported by the German Crowdsourcing Association. Part of the cooperation is the establishment of an ombudsman office (https://ombudsstelle.crowdwork-igmetall.de/en.html) which is intended to ensure the implementation of the code of conduct and mediate in the event of conflicts between platform workers and platforms. An extension of these activities is the participation in the protest action of content creators on the social media platform YouTube, which became known as the 'YouTubers Union' in 2018 (Hoose & Haipeter 2021: 169f; Niebler 2020). Initiated by some YouTubers, this initiative opposed the unilateral and unannounced change of platform rules and algorithms to the disadvantage of content creators. Since July 2019, the initiative has been supported by IG Metall, now within the framework of the newly founded association FairTube e.V. at the end of 2020 (https://fairtube.info/).

The area of food delivery services is also often referred to as an example of how it is possible to represent interests in the area of platform work. In Germany, the rider initiative 'Liefern am Limit' (Delivering at the Limit) was particularly successful and has since received support from the German trade union for the food, beverages, tobacco, hotels, and catering sector. For instance, the initiative launched an extremely successful media campaign in which it exposed scandalous working conditions at delivery service platforms by making them known to the general public. Because delivery service platforms, unlike other platform types, employed platform workers – at least in part – as dependent employees, the initiative succeeded in establishing work councils at some locations despite resistance from the platform companies (Hoose & Haipeter 2021: 152). Even after the market consolidation (and thus the exit of some platform operators from the German market), 'Liefern am Limit' continues to be active and is currently focusing on improving working conditions at the platform *Lieferando*.

5. Conclusion: precarisation tendencies and regulation of platform work

The use of digital platform infrastructures in the organisation and distribution of work is changing traditional employment and is also giving rise to entirely new forms of employment. These developments are sometimes feared to lead to a deterioration in working conditions. This is not least because the introduction or application of digital technologies at work are seen as rationalisation strategies forced primarily by employers. Due to the small-scale nature and standardisation of the tasks to be performed in crowdwork, as well as their strong technological monitoring and control, it is discussed to what extent such a form of 'logged labor' (Huws 2016) can be regarded as independent work or self-employment (Kocher 2019). Furthermore, it is criticised that the lack of operational structures, as a result of which there is no co-presence and mostly no direct exchange between those working on platforms, at least fosters poor working conditions.

Overall, the German discussion of platform work has mainly focused on paid work and services, a rather narrow definition of platform work which revolves around the questions to what extent these developments contribute to a fundamental transformation of the working world. However, the platform economy as such is much more complex as it not only includes platforms for paid crowdwork and gig work, but also includes, among other things, trading platforms (e.g. Amazon, eBay, Etsy), crowdfunding platforms (e.g. Kickstarter) or various search, entertainment, and social media platforms (e.g. Google, YouTube, Facebook, Instagram) that enable actors to trade goods, communicate or raise money. Within this scope they also serve as platforms for income generation – for instance YouTube or Instagram for web-based work from

content creators – although this is not limited to tasks and services in exchange for direct payment. Thus, it should be noted that work inside the platform economy includes, in a broader sense, more than gig work and crowdwork on commercial digital labour platforms (Hoose & Rosenbohm 2020; Niebler 2020). Our own analysis (Hoose & Rosenbohm 2020) underlines that web-based content creation is seen as creative work which is to a large extent driven by self-expression and is carried out because it offers a high degree of autonomous organisation as well as flexible working time. At the same time working conditions and practices are to a considerable extent shaped by algorithms and regulations of media sharing platforms similar to YouTube and Instagram pointing to comparable challenges and features to those of other types of platform work. In the end, focusing solely on paid work managed via online platforms might not adequately capture the new phenomena of online work.

This contribution has sought to point out that it is it is not adequate to speak of 'the' platform economy or 'the' platform work in Germany because it comprises a diverse spectrum. A number of problems and the associated precarisation tendencies of platform work have been highlighted in the literature. Against this backdrop, our analysis also points out existing ambivalences. On the one hand, platform work raises serious concerns about income and social security since self-employed persons in Germany are not entitled to the same social welfare benefits and labour regulations as dependent employees. Moreover, platform work is to a large extent structured by a platform's own rules and algorithms. On the other hand, platform work offers flexible access and low barriers to those seeking entry-level employment since hardly any financial resources or certificates are required to start off and – especially when it comes to creative and complex tasks – also sets out new opportunities for self-determined work.

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23

RUSSIA

Quality of employment as a competition factor between gig and traditional economies

Vyacheslav Bobkov and Olesya Veredyuk

1. Introduction

Gig economy (or digital platform economy, platform economy) as a phenomenon is developing quite actively in Russia. The available statistics do not allow us to accurately assess its current scale, but it indicates the prospects of growth, including the number of employed people.[1] For instance, according to expert estimates, about 6%[2] of the employed population in Russia work through platforms, and by 2030, their number is predicted to reach between 8% and 20% of the employed population.[3]

As a new socio-economic model, gig economy is characterised by new types of part-time employment and short-term labour contracts at the expense of long-term employment relationships with the employer [Lapidus and Polyakova, 2018]. Gig economy is already attracting workers not only as a place of additional earnings, but also as the main one. In its future development, it will obviously continue to compete for local labour with the traditional economy, which is currently the dominant model, by number of employees. In particular, competition will take place through forms of employment, in particular in the aspect of access to the social guarantees that they provide to workers. It is no coincidence that the (legal) status of workers on online platforms is widely discussed: should they be considered independent contractors or employees? The relevance of discussions on this issue is due to the special role of the status of 'employee' (or 'hired worker'). It is this status that provides access to a range of state-guaranteed rights, such as a minimum wage, payment of sick leave and annual vacation, retirement benefits, and so on. In Russia, this status is based on an employment contract between the employee and the employer.[4]

According to official statistics,[5] in Russia about 93% (or 67 million people) of the employed population at the age of 15 and older are employed, if count only the main place of work. At the same time, 95% (or about 64 million people)[6] of the total number of the employed people work under labour contracts. Thus, the legal status of 'employee' is typical for the majority of the employed in Russia and thus forms the standard of employment. Accordingly, industrial relations based on an employment contract between an employer and an employee and provided with social guarantees can be considered as standard. Such relations may be called a standard model (or standard) of labour relations.[7]

Regarding platform employment in Russia, we should note that it is characterised by a large segment of unregistered (shadow) employment, in relation to which we cannot talk about the status of workers in the legal sense. The self-employed[8] and individual entrepreneurs (who

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do not use and use hired labour) predominate in the legal segment of platform employment [Platform Employment. . ., 2021, p. 52]. None of these statuses provide the social guarantees attributed to the status of an employee. The status of 'employee' in relation to the platforms is expected to be found only among the employees directly enabling the operation of the platform itself.

In discussions about employee status as a tool of getting access to social guarantees, the realisation of such rights should not be overlooked. There are examples of situations in which the rights of workers with employee status are violated in practice. If such cases are widespread, then employment in the traditional economy, where employees are now concentrated, may lose some of its comparative advantage over platform employment and may start to fall behind the platform economy in competition for labour.

From the perspective of the competition of gig economy and traditional economy it is essential to focus on the living standards of households as an important component of the quality of employment through wages that support households in the respective models of the economy. Obviously, the likelihood for workers to move from one model to another increases when the opportunity costs of such a move decrease. If precarious employment of workers in the traditional economy with wage employment status is high and reproduces a low standard of living of their households, the potential for their transition to platform employment will be high.

Thus, the paradigm of analysis of gig economy as an emerging phenomenon through the lens of the employment quality within currently dominant model of industrial relations in Russia can be as follows: secure – precarious employment and material well-being – material ill-being of employees.

The goal of this chapter is to assess the potential for the development of gig economy in Russia based on the results of the analysis of the current situation and the dynamics of the standard model of labour relations, in terms of, firstly, compliance of actual employment conditions with statutory (i.e. enshrined in labour legislation), and, secondly, evaluation of living standards of respective households.

The hypothesis of the study is that the transition to one model of industrial relations is stimulated by the destruction of another one. Specifically, the expanding precarious employment and material ill-being of employees in the standard model reduce the opportunity costs of their transition to other (including platform) models of industrial relations.

2. Features of the standard model of labour relations in Russia

The dominating model of employment in Russia has its specifics, largely determined by the state of its basic institutions, such as labour legislation; wages; and employment policy. For instance, strict employment protection legislation makes it possible to maintain quantitative stability of employment.[9] The value of the minimum wage and unemployment benefits maintain a low wage threshold. The variable part of the wage (having a high share in its structure) acts as an effective instrument of adaptation of labour supply and demand. The current adjustment of these institutions allows the labour market to adapt to external shocks without an explosive growth of unemployment, and to regulate the cost of these shocks at the expense of wages [The Russian Labor Market. . ., 2017].

The model of industrial relations, in which the majority of the employed in Russia are currently involved (at least at their main place of work), is, as shown earlier, a relationship based on an employment contract between the employer and the employee. There are a number of social guarantees assigned to this model by the legislation. For example, the Labor Code, which is the main source of labour law in Russia, provides the following guarantees under an employment

contract: a wage no lower than the minimum subsistence level of the working population; payment of wages not less than every half month; a working week not exceeding 40 hours; mandatory weekends and public holidays; 28 days of annual paid leave; compensation for temporary disability due to illness.[10] These guarantees act as the essential attributes of the standard model of labour relations.

Table 23.1 summarises selectively the social guarantees assigned by law to the standard model of labour relations in Russia today and compares them with the standards of the International Labor Organization (ILO).

As follows from Table 23.1, the level of social guarantees for the standard of labour relations, as fixed in the legal documents in Russia, is generally higher than the corresponding ILO recommendations.

When discussing the practical implementation of these guarantees, it is worth considering one of the important features of the labour market in Russia – namely incomplete and selective enforcement. Deviations from the law manifest themselves, for example, in the fact that wages are not always paid on time; the variable part of wages is not always fixed in the contract;

Table 23.1 Basic Social Guarantees Enshrined by Law for the Standard of Labour Relations in Russia and Their Comparison with International Labour Organisation Standards

Subject of guarantee	*The Russian standard*		*ILO standard*	
	Value (for general cases)	*Labor Code, article*	*Value (for general cases)*	*Convention number*
Minimum wage	≥ The minimum subsistence level of the working population (SMwp) For reference: in 2021, the minimum wage was 12,792 rubles (or $162*). The SMwp was 12,702 rub.	133	Based on the socio-economic conditions in the country	131
Normal working hours	≤ 40 hours per week	91	≤ 48 hours per week ≤ 8 hours per day	130
Frequency of wage payments	At least every half month	136	Wages are paid at regular intervals.	95
Length of annual paid leave	28 calendar days	115	≥ 3 working weeks	132
Duration of maternity leave	140 calendar days (or 20 weeks)	255	≥ 14 weeks	183
Duration of parental leave	Until the child reaches the age of three	256	Not available	–
Minimum age for entering into an employment contract	16 years old (15 years old for light work)	20	Not less than 15 years old	138

Source: Compiled by the authors on the basis of the Labor Code of the Russian Federation and the relevant ILO Conventions.

* The calculations were based on the average RUB/USD exchange rate set by the Central Bank of Russia for the period from 1 January to 1 June 2021 (URL: www.cbr.ru/currency_base/ (Accessed: 1 June, 2021).

working time may be less than the lower limit or higher than the upper limit allowed by law; and dismissals at the initiative of the employer are often replaced by quasi-voluntary withdrawal [Gimpelson and Kapeliushnikov, 2013].

One of the consequences of the labour market model described earlier is the growing deformalisation of employment, which is manifested in the shrinking share of employment in the regulated (corporate) segment of the economy (the economy of organisations) and its growing share in non-regulated or poorly regulated segments [The Russian Labor Market. . ., 2017, p. 9] (the economy of individuals), including employment via digital labour platforms.

At the same time there is a growth of precarious employment [Precarity of Employment, 2017; Precarious Employment in the Russian Federation, 2019], which can be defined as a state in which the levels of uncertainty and risk of labour relations increase, and work ceases to serve as a source of medium- and long-term planning and improving the quality of life of the labour force [Veredyuk, 2013, p. 28]. In this regard, for the purposes of this chapter, we will analyse the de facto implementation of guarantees, legally enshrined as essential attributes of the standard model of labour relations.

3. De facto conditions of employment in the standard model of employment

The empirical basis of the chapter was the data of the Russia Longitudinal Monitoring Survey – Higher School of Economics (RLMS-HSE) (hereinafter 'RLMS'). This survey sample is representative of the Russian population by sex, age, and type of settlement.[11]

The data of the following waves were in use: wave 28 (for the year 2019) as the last available at the time of the study; wave 24 (for the year 2015) – the beginning of the period of economic sanctions and wave 11 (for the year 2002) – the first year, which gives an opportunity to sample those officially employed. To conduct the estimation, we formed a sample of persons aged 15 years and older, officially employed in their main job in organisations. We used data from sets on individuals and households. The RLMS data were supplemented with the Federal State Statistics Service (Rosstat) data on the minimum subsistence level of the working population in order to estimate the standard of living of wage earners and their households.[12]

According to the data available for our study, the deviations from the guarantees enshrined in the Russian labour legislation in practice are (1) wages below the minimum subsistence level of the working population, (2) wage arrears, (3) an informal (partially or fully) wage, (4) reduction of wages or reduction of working hours by the employer, (5) working hours deviating from the standard of 40 hours per week (excessive or insufficient working hours), and (6) forced unpaid leave at the employer's initiative. Researchers attribute these signs (indicators) to precarious employment [Odintsova, 2017, p. 215–228].

In this study, the employment of workers with an employment contract was characterised as precarious when at least one of the previously mentioned characteristics was observed. Accordingly, in the absence of such signs employment was recognised as secure. Precarious employment is considered by the authors as a characteristic of its low quality.

We estimate that in 2019, approximately 50% of all officially employed wage workers were in precarious employment. Accordingly, the other half had at least one sign of precarious employment. The scale of precarious employment by selected attributes is shown in Table 23.2.

The data in Table 23.2 show a trend towards improvement in the employment situation of employees whose status implies a certain level of social guarantees, fixed in normative documents, in the late 2010s compared to the early 2000s. Nevertheless, the Table 23.2 shows that among this group of workers about 8% receive wages below the subsistence minimum and,

Table 23.2 Dynamics of Officially Employed by Signs of Precarious Employment in Russia, in Per Cent

Sign (indicator) of employment precarity	*Year*		
	2019	*2015*	*2002*
In terms of wages			
Wages below the minimum subsistence level of the working population in the region	7.6	17.0	39.7
Wage arrears	1.9	3.5	23.3
Informal (partially or fully) wage	8.1	13.8	n/a
In terms of wages or hours of work			
Reduced wages or reduced hours of work by the employer	4.6	8.7	7.4
In terms of hours of work			
Deviations from the standard of 40 +/− 5 hours per week, including	35.7	36.3	39.2
below 35 hours	7.6	7.9	9.9
above 45 hours	28.1	28.4	29.4
Involuntary unpaid leave at the initiative of the employer	1.8	3.2	2.8
TOTAL number of observations, people	4221	4913	3310
Share of workers with precarious employment, % of the total number of officially employed workers	50.0	59.6	69.8

Source: Calculated by the authors based on the RLMS data.

about the same amount – without official registration of payment. The group of workers whose typical workweek exceeds 45 hours per week is consistently high (around 28%).

4. Living standards of employees' households in the dominant model of employment

A wage holds the main place in the structure of income of an employee and their household. The purchasing power of wages is measured by comparing their actual level with the subsistence minimum of working population (SMwp). Using this approach, it is possible to determine the notional number of sets of SMwp that an employee can buy on their nominal wage per month.

Differentiation of workers by groups characterised by modes of current consumption was carried out on the basis of the boundaries of employment income standards developed by Bobkov and Odintsova [Bobkov et al., 2018; Bobkov and Kolmakov, 2017; Bobkov et al., 2021]. They define such boundaries through the ratio of employment income to the minimum subsistence level of the working population in the respective region. These boundaries are determined both taking into account the presence of dependency burden (per average family with a proportional load per worker, allowing for savings on joint consumption), and without it. This study applies the boundaries of employment income standards, taking into account the dependency burden.

According to this methodology, the boundary of the lowest standard of income from employment (1.3 SMwp) determines the boundary of the lowest level of consumption. Within a budget of 1.3 SMwp, a worker and their household can meet only basic minimum needs for food, non-food products and paid services, as well as to make mandatory payments and fees (per capita subsistence minimum). Such a household budget excludes the possibility of

even minimal savings to compensate for unforeseen expenses, the possibility of using consumer credit, etc. Households in a state of *absolute monetary poverty* belong to this group.

In addition to this group, two more groups of workers can be included in the category of material ill-being: low-paid and paid below average per capita income. The households of workers who fall into these groups are not formally considered poor according to their income level. However, their financial security is unstable, and if their wages decline, they are at high risk of moving to less prosperous groups. The insufficiency of the necessary financial reserve, in particular due to low wages that do not allow for savings, makes the position of such workers and their households unstable and vulnerable.

The group of *low-wage employees* overcomes the boundary of poverty in their households, defined at the level of 1.3 SMwp, but does not reach 2.5 SMwp. The boundary of 2.5 SMwp, in turn, does not allow to reach a socially acceptable level (standard) of household consumption. This standard, according to the estimates of its developers, requires earning at least 4.1 PMl. Employees with incomes above 2.5 SMwp, but below 4.1 SMwp form the group of those *paid below average*.

The income from the employment threshold of 4.1 SMwp is the threshold from which we propose to count a household's average standard of well-being. It defines the lower threshold of the relatively prosperous position of households and corresponds to the current value of the average per capita income in Russia.

The *middle-paid group* includes employees with incomes from 4.1 SMwp to 14 SMwp. The boundary of the highest standard of income from employment – at least 14 SMwp – corresponds to the value of per capita household income, not below the high-income consumption budget and defines the lower boundary of high consumption level.

Thus, in this study, the average monthly income from employment (mainly wages) of 4.1 SMwp is defined as the boundary that allows households to achieve a standard of living no lower than the average standards of an employee. Below this boundary are employees with *material ill-being from employment*, and including it and above – with a *satisfactory material security from employment*.

Estimates of the impact of the quality of employment of employees on the standard of living of their households are shown in Table 23.3. They are presented as a grouping of workers by quality of employment – secure or precarious, as well as material wealth from employment – well-being and ill-being. The following four groups of employees have been classified: *group 1* – employees with secure employment and material well-being by income from employment; *group 2* – employees with precarious employment and material well-being; *group 3* – employees with secure employment and material well-being; *group 4* – employees with precarious employment and material insecurity from employment.

Table 23.3 Grouping of Workers by Quality of Employment, 2019, in Per Cent

		Employment	
		Secure	*Precarious*
Material wealth by income from employment	Material well-being	6.8 (Group 1)	6.7 (Group 2)
	Material ill-being	43.2 (Group 3)	43.4 (Group 4)

Source: Calculated by the authors based on RLMS data.

The first group includes workers whose quality of employment can be characterised as high, since there are no signs of its precarity, and their material wealth is average and above the standard of living of their households. This group of workers is one of the smallest among the four groups under consideration, accounting for about 7% in the structure of the officially employed. This segment of the standard model of labour relations concentrates the best practices in terms of the quality of employment and the level of income from it. The benchmark character of this segment is confirmed by the largest share of those who would not like to change their jobs and wish to maintain the status quo. Accordingly, those employed in this segment have the highest opportunity costs of switching to other (including platform) models of industrial relations.

The second group of officially employed people is characterised by material well-being accompanied by signs of precarious employment. This group also constitutes about 7% of employees. In conditions of relatively high material well-being from employment, its precarious conditions may not have a critical impact on the employee's decision about employment and take second place, giving way to the main motive – ensuring an acceptable (decent) standard of living for the employee's household.

The third group of employees (about 43%) is vulnerable – material ill-being, not reaching the average level. At the same time, other conditions of employment of workers in this group can be assessed as good – they have no signs of precarious employment.

It should be noted that the second and third groups of employees have similar proportions (about 10%) of those who would like to find another job. This suggests that wages and other conditions of employment are competing factors in choosing a job. Thus, if other production relations models, including platform ones, have higher remuneration or provide better opportunities to manage the balance of time, it may attract these workers to these models.

Finally, the fourth group includes workers with precarious employment and the material ill-being associated with that employment. The size of the group is large and covers about 43% of officially employed wage workers. In this group, the share of those who would like to find another job is about 1.7 times higher than the average in the other groups under consideration.

These data indicate the heterogeneity of the segment of officially employed wage workers in terms of the quality of employment and the level of material wealth from it. Also the data show a high proportion of workers with precarious employment and material ill-being from it.[13] According to the RLMS data, in the segment of officially employed wage workers, about half work in organisations in which the state is the owner or primary co-owner. We label this sector the public sector. The other half of officially employed workers are employed in the private sector.

The distribution of groups of workers by sector with different quality of employment (secure employment/precarious employment and material well-being/material ill-being) is presented in Table 23.4. Employment of workers in public and private sectors in the first group is generally parity (47% and 53%, with a slight preponderance of the private sector), the second and fourth groups are predominantly represented by employees of the private sector (64% and 56%, respectively), and the third group of workers (56%) is predominantly employed in the public sector.

Turning our attention to the quality of employment, we find that workers with secure employment (55% of all workers with secure employment) are primarily clustered in the public sector; and those with precarious employment are largely (57% of all workers with precarious employment) concentrated in the private sector.

In terms of material welfare from employment, well-being workers (59% of all well-being workers) are concentrated among private-sector employees, while ill-being workers are equally likely to be found in both the public and private sectors. The analysis shows that employees in

Table 23.4 Distribution of Employee Groups by Sector with Different Quality of Employment

		Employment	
		Secure	*Precarious*
Material wealth by income from employment	Material well-being	Public and private sectors are parity (Group 1)	Predominantly private sector (Group 2)
	Material ill-being	Predominantly public sector (Group 3)	Predominantly private sector (Group 4)

Source: Calculated by the authors based on RLMS data.

the public sector have higher risks of material ill-being compared to those in the private sector and lower risks of precarious employment. This is the reason for the growing potential of the private sector, where the gig economy is concentrated.

5. Conclusion

The gig economy (or digital platform economy, platform economy) as a model of industrial relations in its active development competes with the traditional economy for the workforce. The chapter provides a comprehensive analysis of the current state and dynamics of the standard model of labour relations in Russia in terms of compliance of its actual conditions with normative ones (i.e. enshrined in labour legislation) and assesses the standard of living that this model offers.

The results indicate a significant scale of precarious employment and low living standards of workers employed in the currently dominant model of industrial relations. The heterogeneity and segmentation of this model according to the criteria of distribution of risks of precarious employment and material ill-being were found. We detected that workers in the public sector have higher risks of material ill-being while having lower risks of precarious employment compared to workers in the private sector.

Precarious employment and low living standards of wage workers in the standard model reduce the opportunity costs of their transition to other (including platform) models of industrial relations. The problems exposed by officially employed wage workers in Russia indicate the potential for the development of alternative models, including the gig economy.

The transition of workers to the new model of employment is driven in large part by the declining quality of employment of a significant fraction of employees engaged under the standard wage employment model, which is currently the primary employment model for most employees in Russia.

This contributes to the emerging expert opinion in Russia about the positive role of non-standard employment, including platform-driven employment, which is associated with an increase in the income of workers, especially from depressed or hard-to-reach regions of the country, a reduction in shadow (unofficial) employment and unemployment, particularly among vulnerable social groups (young people without work experience, people of pre-retirement and retirement age, people with family obligations, etc.) [Platform Employment, 2021, p. 53].

At the same time, experts warn of the high risks associated with the transformation of the gig economy into the format of standard employment relationships. In the current state of the dominant employment model, this not only fails to guarantee an increase in the quality of

employment, as shown previously, but may undermine the innovation and demand for this sector of the economy, which is oriented to the individual needs of the population. At the same time, the parity in the competitiveness of standard and non-standard employment models can change if the established norms of labour legislation are observed and modified, taking into account the interpenetration of formal and informal employment.

In the search for optimal regulation to keep the models of industrial relations competitive, it is important to legally define the signs of standard labour relations, develop tools to provide social guarantees for standard employment, and establish them for non-standard employment, including platform workers.

Notes

1 *Employment*, hereafter in the chapter, will be thought of as labour activity performed in exchange for pay or profit (19th International Conference of Labor Statisticians (2013). Resolution I, 'Resolution on Statistics of Labor, Employment, and Underemployment', Paragraph 7). *Labour activity* means any activity performed by persons of any sex or age for the purpose of producing goods or providing services for the use of others or for one's own use (ibid. paragraph 6). URL: www.ilo.org/wcmsp5/groups/public/–dgreports/–stat/documents/normativeinstrument/wcms_235603.pdf (accessed: 1 June 2021).

2 In absolute terms, it is about 4.8 million people (of which at least 50% are self-employed). A noticeable increase in this number was during the pandemic year of 2020. From the speech of the Minister of Labor and Social Protection of the Russian Federation at the St. Petersburg International Economic Forum, 3 June, 2021 (URL: https://forumspb.com/programme/business-programme/91377/) (accessed: 4 June, 2021).

3 In absolute numbers – from 6–8 to 15 million people [Platform Employment. . ., 2021, p. 52].

4 The employment contract is the basis of the labour relations between the employee and the employer (Labor Code of the Russian Federation Art. 16). *Employment relations* – relations based on an agreement between an employee and an employer on personal performance of a work function for a fee in the interests, under the direction and control of the employer, subjecting the employee to the rules of internal labour regulations while ensuring working conditions by the employer (Labor Code of the Russian Federation Art. 15).

5 Federal State Statistics Service, Rosstat (2019). Labor and Employment in Russia. 2019, M., 2019. pp. 29–30.URL: https://rosstat.gov.ru/storage/mediabank/Trud_2019.pdf (accessed: 2 May, 2021).

6 Ibid.

7 To be specific, among workers there are those who are employed in more than one job, which provide different status. The data presented here show that 95% of workers in Russia have status of 'employee' (or 'hired worker') in at least one job.

8 *The self-employed* are taxpayers on professional income. This is a special tax regime with a reduced rate. It can be applied by those who work themselves or sell goods of their own production – for example, a driver, a designer, a nanny, a tutor, a plumber. It was introduced as an experiment on 1 January 2019 for ten years.

9 On the specifics of the labour market model in Russia, see [Gimpelson, Kapeliushnikov, 2013].

10 The given list of state guarantees in the sphere of labour relations is limited and is conditioned by the choice of the authors of this chapter, based on its objectives.

11 We thank the Russia Longitudinal Monitoring Survey, RLMS-HSE, conducted by the National Research University Higher School of Economics and 'Demoscope' together with Carolina Population Center, University of North Carolina at Chapel Hill, and the Federal Center of Theoretical and Applied Sociology of the Russian Academy of Sciences for making these data available (www.hse.ru/rlms, https://rlms-hse.cpc.unc.edu).

12 In Russia, there are four officially defined types of subsistence minimum: per capita, for the working population, for pensioners, and for children. In 2019, the minimum subsistence level for the working population (SMwp) was 107% of the per capita minimum subsistence level, on average, across the country's regions.

13 When extrapolating the results obtained to the scale of the entire Russian economy, it is worth considering the limitations of the RLMS database. Due to the complexity and length of the interviewing

process and the low material compensation for participation in it, the upper-income groups are not represented in the sample in proportion to their actual share, and the top 3–5% by income are not in the sample at all. As a result, the sample bias leads to an overestimation of the share of workers with material ill-being from employment.

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24
AUSTRALIA
Labour and the gig economy

Tom Barratt, Caleb Goods, and Alex Veen

1. Introduction

In Australia, the digitally enabled gig economy has grown extensively in the past decade, with large implications for business, society and especially labour. Work in the gig economy is organised in many ways, but the two dominant modes of gig work are that of app-based platform services, where a single application manages many similar tasks, and online marketplaces, where platforms connect buyers and sellers of services across a variety of tasks (De Stefano, 2016). A further delineation is between work that is performed territorially, such as food or passenger delivery, and work which is performed virtually (for example, by clickworkers). This new form of work intermediation has challenged, or circumvented, existing labour regulations to remake capital-labour relations (Forsyth, 2020b). This chapter focuses on app-based platforms whose workers are located in Australia, as their territorial boundedness means that they remain Australia's Federal and state labour law jurisdiction.

For over a century, most forms of work and employment in Australia have been tightly regulated through labour laws and institutional structure, which historically dictated the obligations of parties towards each other (Campbell & Burgess, 2018). Australia's labour market, for the majority of the 20th century, has (outside of the informal economy) been characterised by high levels of state intervention, high levels of institutional power being afforded to unions, state protection of domestic industry, immigration restrictions (including based on racial lines) and high (by global standards) minimum standards of work (Ellem et al., 2005). As a result, Australia has a had a tightly regulated labour market coupled with substantial employment protections, which still include a minimum hourly rate of work, payment of superannuation (compulsory retirement savings) and minimum standards of employment, including protections from unfair dismissal.

Gig platforms have largely deployed business models based on independent contractor arrangements. Through these arrangements, as well as their novel technology-enabled ways of work organisation, they have, by and large, successfully managed to circumvent these minimum employment protections (Healy et al., 2017; Stewart & Stanford, 2017). Although this contractual approach has been challenged by some gig workers and trade unions, some of the more well-known and visible platforms (including Uber and Deliveroo) have sought to defend this model. While a minority of platforms, like Shiftly, have offered a platform marketplace in the context of an employment relationship, most platforms have opted for the independent contractor model and, when challenged by (organised) labour, defended this in the industrial tribunal (e.g. Fair Work Commission, 2018b).

In the remainder of this chapter, we explore work in the Australian gig economy by first engaging questions about the definition of the gig economy and how it is measured in Australia.

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This is followed by a broader examination of the context of the Australian gig economy. We then consider the legal underpinnings of Australia's classification debates considering Australia's employment relations system. Subsequently, we report on gig worker experiences in Australia before situating Australia's gig economy within contemporary debates around shifting employment standards, particularly in the app-based platform economy.

2. Questions of definition, questions of measurement

A major difficulty in studies of the gig economy and gig work are questions of definition, with terms such as gig economy, sharing economy, and on-demand economy, among many others, being used to study what is both an emergent and deeply varied phenomena. The gig economy as a form of digital work intermediation is varied in terms of platform size, tasks performed, remuneration rate and platform strategy (Graham et al., 2017; Peticca-Harris et al., 2018; Wood et al., 2018). Indeed, much research, including our own, that studies the gig economy is, in reality, examining one segment of the gig economy rather than the gig economy as a whole (Goods et al., 2019; Josserand & Kaine, 2019). This deep variation is exemplified by gig work, referring to both a food delivery courier working extremely long hours for very low wages and a 'highly skilled' professional photographer (Goods et al., 2019; McDonald et al., 2018). As such, questions of definition have remained important in the gig economy for setting parameters as to what is and is not considered as the gig economy and associated academic and policy debates.

In the Australian context, Stewart and Stanford (2017) set out four key characteristics of gig work that must be satisfied, namely (1) customer demand triggers irregular schedules of work, (2) the worker is responsible for the provision of some or all of their own assets required to undertake the work, (3) the worker is not paid for their time, but by piece rates, and (3) the work is arranged via an online, intermediary platform. This definition holds for most gig work platforms in Australia, with some notable exception (e.g. Sidekicker and Shiftly). Although there has been an evolution around the types of benefits afforded to these workers and contractual arrangements, for most workers these conditions are still less secure and more precarious than employment (Standing, 2016).

The platform element is vital as it differentiates older forms of gig labour as was typical of creative industries and offers some insights into their business models (Culpepper & Thelen, 2020). Platforms operate as intermediaries, taking a 'cut' from those whose transactions they match (Rubery et al., 2018). What differentiates them, however, from labour-hire arrangements is that they intermediate both product and labour markets. In the food delivery context, they create a quadrangular relationship between worker and restaurant (matching to resolve the labour market issue) and customer and restaurant (matching to resolve the product market issue) (Barratt et al., 2020).

The first three components of Stewart and Stanford's (2017) definition discussed previously have proven central to another tenet of most platforms' strategies, which they have deployed to resolve the labour market issue, that is the independent contractor classification (Zwick, 2018). Within Australian employment relations, those who perform labour for remuneration are categorised in two ways, they are either an employee who attracts the benefits of an employee or a contractor, and the relationship is one of business (Fair Work Ombudsman, 2021a). This is distinct from jurisdictions such as the United Kingdom or Italy, where there is an intermediate category of 'worker' or 'parasubordinato' (Cherry & Aloisi, 2017). The origins of this distinction are drawn from the common law, and Australia's industrial law relies on common law definitions. To determine the difference between a contractor and an employee, regulators (either an industrial tribunal or, on appeal, the court system) apply a multifactor test to consider

the 'totality' of the relationship between the seller and the buyer of labour (Bomball, 2019). Platforms have generally designed work arrangements to avoid employee classifications; allowing workers to choose their own hours, explicitly allowing them to be logged into more than one platform at once and to subcontract their work, paying by invoice, allowing workers to pick their times and locations of work (Barratt et al., 2020). On online platform marketplaces, there is even more ambiguity, with problems of jurisdiction and a lack of comparable equivalent employment. However, as we discuss in the next section, in app-based platform work, this is more contentious as platforms need to exert more control to provide a standardised service.

While much has been written about the gig economy, there has, until recently, been little data which substantiates its size. In Australia, Uber has over 100,000 registered drivers (Uber, 2021), while Airtasker (a marketplace for the outsourcing of everyday tasks) claims over 2.1 million users as either workers or customers (Airtasker, 2021). The Victorian government commissioned what is likely the most comprehensive survey of the gig economy in Australia (McDonald et al., 2019), surveying workers (n = 14,013) in a manner that was representative of the Australian population. The survey found that 7.1% of the population had worked or offered to work through a digital platform, in the period of April 2018–2019, with 13.1% having performed or offered work at any time. Of that 13.1%, 38.7% performed this work in person, 28.2% had performed computer or internet-based work, and 33.1% had performed both. This suggests that online gig work is a significant part of the Australian labour market and economy.

3. Laws and regulations

Australia, since its Federation, has a history of socially regulating labour markets, dating back to the Harvester Judgement of 1907 that set out the standard for wages was not to be set by market means but rather by the responsibility of an employer to pay an employee a sufficient amount to allow him, his wife and three children to live in a standard of frugal comfort (Higgins, 1907). This commitment to a living wage has been underscored by a system of compulsory conciliation and arbitration which provided organised labour with a strong, privileged institutional role for most of the 20th century and underpinned rulemaking in Australian workplaces (Macintyre & Isaac, 2004).

From the 1980s, however, the conciliation and arbitration system of centralised rulemaking was gradually dismantled. Successive pieces of legislation throughout the 1980s, 1990s and 2000s saw rulemaking decentralised and the role of unions increasingly circumscribed and diminished (Peetz & Bailey, 2012). This reached a high (or low) watermark with the passing of the *WorkChoices* legislation, which came into effect in 2006. This legislation saw individual contracting arrangements prioritised over collective bargaining and a shift towards the market-regulation of work (Stewart, 2006). The legislation, however, was short-lived as a change of government in 2007 led to the passing of the *Fair Work Act (Cth)* in 2009, which restored protections for workers and unions, but not to the levels of the early 1990s (Bray, 2013).

The institutions of Australian employment regulation are based around an employment relationship. Therefore, much of the trend towards work intermediation in Australia, primarily labour-hire, has occurred via employment (Coe et al., 2009). What has made the gig economy markedly different is that the majority of gig platforms have constructed contractual and working relationships that sidestep employment (Barratt et al., 2020). The use of the independent contractor classification by app-based food delivery and rider share driving platforms has thus far, by and large, been upheld by the Fair Work Commission, Australia's major federal industrial relations tribunal. On multiple occasions, it found that individual food delivery and rideshare

driving workers who were seeking reinstatement and/or compensation whose accounts had been de-activated were independent contractors rather than employees, including:

- Hinde v Rasier Pacific Pty Ltd [2018] FWC 1764
- Kaseris v Rasier Pacific V.O.F [2017] FWC 6610
- Pallage v Rasier Pacific Pty Ltd [2018] FWC 2579
- Gupta v Portier Pacific Pty Ltd & Uber Australia Pty Ltd [2019] FWC 5008
- Gupta v Portier Pacific Pty Ltd & Uber Australia Pty Ltd [2020] FWCFB 1698

In two instances the Commission arrived at a different finding. What is important to note is that contextual factors in each case somewhat varied as well as the contractual relations and work organisation of the respective platforms. Moreover, the contracts and functionalities of platforms differ over time and evolve. Josh Klooger was a courier for the now-defunct Foodora platform. What made his case unique was that besides his work for the platform as a courier he also was an employee for them for a period of time in which he performed other duties. Moreover, in comparison with other food delivery platforms like Uber Eats and Deliveroo, Foodora exercised a high level of control over working times through the batching system that it used – enabling workers who scored higher on the organisation's performance criteria to get preference to shifts (Fair Work Commission, 2018a). A second, more recent, case is that of Mr Franco, a courier on the Deliveroo platform (Fair Work Commission, 2021) – which is discussed in more detail later.

At the centre of all these cases and decisions by the Fair Work Commission – as part of the multifactor test – sits the question of 'control'. That is, whether it is the worker or putative employer who controls the way the work is performed. These decisions have placed a lot of weight on the fact that it is the worker who controls *when* and *where* the workers make themselves available for work.

As an example, the full bench of the Fair Work Commission, in the case of Gupta v Portier Pacific Pty Ltd & Uber Australia Pty Ltd, found 'that Ms Gupta had the capacity to develop her own independent delivery business as a result of her legal and practical right to seek and accept other types of work while performing work for Uber Eats, but chose not to' (Fair Work Commission, 2020). However, this considered the contractual relationship, rather than the viability or prospects of success of any such business. Multi-apping, where workers are signed into multiple apps (Barratt et al., 2020), was also seen as being a factor that pointed towards the contractor classification, as did the lack of visible branding and the ability to choose where and when she worked.

These decisions suggest that, across food delivery and ride-hailing, the circumvention of employment that platforms' work arrangements seek to generate, while contentious, have received state endorsement. This view, however, may be softening. In the Fair Work Commission case of Diego Franco v Deliveroo Australia Pty Ltd, a food delivery courier, supported by the Transport Workers Union, filed a case for unfair dismissal against the Deliveroo platform (Fair Work Commission, 2021). Unfair dismissal protects employees in Australia from being dismissed from their job in a manner which is harsh, unjust or unreasonable (Fair Work Ombudsman, 2021b). For the application to succeed, the courier first had to convince the commission that he was an employee, and then that the dismissal was unfair. Commissioner Cambridge took a view that was divergent from several previous cases, noted earlier, pointing out that the ability to control workers, rather than the actual and contractual control exercised by the platform was indictive of employment, as was the economic reality which structured the relationship between courier and platform. Further, the practice of multi-apping was, rather than evidence of a worker having no loyalty to a particular platform, 'an example of the phenomenon of change

that new technology is bringing to the traditional arrangements for employment' (at 116). These were all factors that led the commissioner to find, first, that Mr Franco was an employee and, further, that the way that he had been dismissed was indeed unfair, meaning Mr Franco was successful. At the time of writing the decision is, however, subject to appeal.

4. The Australian labour market

Since the 1990s, state reforms and employer strategy have seen the Australian labour market becoming increasingly neoliberal, passing many risks onto workers, enabled partly by a market-focused migration regime which includes temporary migration (Cooper & Ellem, 2008; Wright & Clibborn, 2020).

The Australian labour force is, at April 2021, almost 14 million people (Australian Bureau of Statistics, 2021). The underemployment rate is 7.8% (measured in Australia as being workers who would prefer to work more hours). As within all jurisdictions, however, this varies on the basis of location, gender, age, skill, and other matters of group identity. Underemployment is relevant to gig work for two reasons. Firstly, those who are working in the gig economy may be 'supplementing' insufficient hours of employment. Secondly, there may be additional 'slack' in the labour market meaning there is insufficient 'employment'.

McDonald et. al.'s (2019) survey of digital platform work identified that there were several groups who were over-represented in the Australian gig economy. Over-represented groups included students, the unemployed, workers with a disability, temporary residents and those who did not speak English at home. What unites these different populations is a level of labour market vulnerability for various reasons, some of which we explore later.

In terms of temporary residents, the two largest categories of these migrants with work rights in Australia, at least before the Australian Government closed the borders as a response to the COVID-19 pandemic, were working holiday visa makers (in 2018 there were 210,460) and international students (in 2018 there were 162,870) (OECD, 2020). While subject to the same employment laws as Australian citizens, as part of their visas these workers face restrictions in their work rights. For example, needing to work in regional locations for a period of time to extend their visa in the case of the former, or working hours restrictions during semester in the case of the latter (Goods et al., 2017). Further, these workers cannot access the same social transfers as Australian citizens or permanent residents, a vulnerability that was exacerbated through the COVID-19 pandemic (Berg & Farbenblum, 2020).

Other categories of overrepresented workers in the gig economy work also have a labour market vulnerability, with low levels of labour market participation (OECD, 2017). These groups face difficulties in accessing employment for several reasons, including discrimination, a lack of networks within labour markets, actual or perceived lack of language skills, home demands that make work difficult or the need to navigate the social welfare system and employment system.

The gig economy is characterised with low barriers to entry and no to minimal discrimination in recruitment and selection. Since most platforms are not employers, they do not carry the risk to engage labour and having to pay for unproductive time. Instead, most labour market risks are carried by workers. Consequently, gig work has relatively high accessibility and has become a way for marginalised groups to earn income. The independent contractor classification deployed by platforms operating in Australia has shifted the relations of work into market-regulated, rather than socially regulated transactions (Forsyth, 2020b). This is not to say that similar forms of this work have not existed in Australia before the gig economy, for example in home work in the textile industry and in the agricultural sector (Clibborn & Wright, 2018;

Weller, 1999). However, the gig economy has expanded the number and variety of this type of work, and effectively made it more precarious.

The nature of working In the gig economy brings about a particular form of income and employment insecurity, as workers have high income variability and are commonly paid on the basis of 'piece rates' (Barratt et al., 2020). This is exacerbated for temporary migrants, who are often unable to access state benefits. This was starkly brought into light with the COVID-19 pandemic where these migrants, already overrepresented in the gig economy, turned to this work in the absence of other employment and state support. That platforms are often willing to accept an uncapped number of workers raises issues around labour market security. This is also accommodated by their independent contractor model, where idle labour is unpaid, and therefore platforms are incentivised to solve their labour market problems by having as large an army of available workers as the market would bear, exposing works to the despotism of the market (Burawoy, 1983).

Work insecurity is also a major issue in some segments of the gig economy. This occurred in a high-profile manner in the food delivery sector of the gig economy where tragically five couriers were killed on Sydney roads in 2020 (Zhou, 2021). The income and employment insecurity may have contributed to this, as workers are incentivised in the market system to ride faster, for longer and in more hazardous conditions, exacerbating their exposure to workplace risks. A further issue of work insecurity is that insurance coverage for these workers is patchy (as opposed to large, formal insurance programs in the domain of employment) and at times absent in the case of workplace injury or death.

5. Worker experiences and recent research

In Australia, the gig economy has seen much recent research, mainly focused on ride-hailing work and on-demand food delivery. This research has examined multiple facets of the gig economy, including the quality of the work, labour standards, the capacity for trade unions to organise and an emerging line of scholarship looking at the position of consumers in relation to gig work.

Much of this work has been focused on app-based food delivery and ridesharing services. Josserand and Kaine (2019), in their examination of Uber drivers, developed a typology of ride-share workers, those who do it as a sole source of income, those who seek to supplement their income, and those who are hobbyists, doing it more as a pastime or means of socialisation. This has significant implications for understanding the capacity to mobilise workers and lobby for improved conditions, as these workers have divergent needs and desires from their rideshare work. Our work, examining food delivery (Barratt et al., 2020; Goods et al., 2019), however showed a much more short-term approach, with workers in part joining because of lower barriers to entry (bikes and scooter having a lower upfront cost than a car deemed acceptable for rideshare) and lower incomes. Almost all these workers had a clearly defined, short- to medium-term exit strategy.

These characteristics also have implications for trade union organising. The market relationship between workers and platforms incentivises workers to consider themselves as entrepreneurs, rather than workers (Barratt et al., 2020). For instance, this may shape the collective identity of gig workers. Further, there are barriers to collective activity as gig workers, including their contractor status precluding collective bargaining by Australia's competition legislation (Forsyth, 2020a). This, however, has not completely deterred union activity, both at the individual union, and union federation, levels.

The Transport Workers Union in Australia, for example, has been involved in representing food delivery couriers, including gathering information, lobbying, and representing workers

in industrial tribunals. This has also included large campaigns with a focus on poor working conditions targeting food delivery platforms, which have included driver surveys, alliances with rider cooperatives, making submissions to Fair Work Commission hearings and Award Modernisation proceedings, as well as facilitating the election of rider safety representatives at Deliveroo (Transport Workers Union, 2021). The United Workers Union have also commissioned a report, which was submitted to a New South Wales Parliamentary Inquiry, looking at how the gig economy is facilitating 'punitive surveillance' of care workers (United Workers Union, 2020). At the federation level, Unions New South Wales (the federation for the Australian state of New South Wales) after first criticising the online marketplace Airtasker, engaged in dialogue with the platform which resulted in an agreement over recommended work practices (Forsyth, 2020a; Minter, 2017). This included recommendations for pay rates, insurance, safety, and dispute resolution, creating an institutional space for dialogue and engagement between unions and platforms.

There has also been scrutiny as to the quality of these jobs, and their consequences for gig workers. Goods et al. (2019) explained that food delivery work varies in terms of its quality and faces contradictions as to whether these are good or bad jobs. For example, inclement weather decreases the enjoyment and safety of the work but increases the economic benefits that workers can gain through increased consumer demand. This work was often seen by workers as matching their current life-circumstances and labour market options. However, because these workers, based on these factors, are willing to take a downgrade on pay and conditions below socially set standards of employment, this has the potential to drive down wages and conditions elsewhere in the economy.

The flexibility of gig work, cited as a major reason why gig work fits worker circumstances, however, is not applied evenly. Indeed, these choices are overlaid on pre-existing social dynamics, meaning that gig work affects women and men differently, reporting in one study needing to arrange gig work around their schedule at almost double the rate of men (Churchill & Craig, 2019). This indicates that the flexibility of the gig economy can meet the needs of workers but also that these needs can constrain earning power and limit market opportunities. It can also reinforce existing social structures; for example, working women in Australia are more likely to be overqualified for their position, likely to be a secondary household income, take more career breaks, and have less tenure security (Churchill & Craig, 2019).

Reflecting other imbalances in paid and unpaid work (Pocock et al., 2012), a survey of gig workers suggested that women do disproportionately more paid cleaning and caring work, while men do more delivering and driving of people and goods. This is important because the regulatory reforms we discuss later are aimed at the more masculinised domains of gig work. In a more detailed analysis of care work, McDonald et al. (2020) show how this feminised form of care work is subject to particular controls, workers and clients (rather than platforms) bear the burden of direct and indirect costs and have little to no ability to negotiate contractual terms. By deploying a labour process theory lens, extending a particular strand of exploration of gig work (Gandini, 2018; Veen et al., 2020), the authors show how platforms control these workers without directing how work is to be done.

The nature of the intermediation that platforms exhibit means that consumers play an increased role in the management of workers (Gandini, 2018). This has led to consideration of the nature of consumer and worker interactions within Australian gig economy. Straughan and Bissell (2021) point out that the nature of the gig economy changes the nature of people's interaction with each other, reframing social elements of work, and blurs lines between private domains and the domain of work. These ideas are indeed expanded in one of the few gig-economy inquiries outside of ridesharing and food delivery, where Flanagan (2019) considers

domestic services. This may allow the encroachment of customers into workers lives in new ways, but there is also the capacity for customers to set, or influence, the terms and conditions of work. Healy et al. (2020) explain that in Australia, customers who view the gig economy positively are more likely to use gig-platforms. 71% of customers, they found, viewed the gig economy as being positive for providing worker flexibility, though 42% saw the gig economy as being negative in light of worker's financial security (only 13% saw this as positive). This is important, as it suggests that while Australians are divided on whether the gig economy is a positive development, those who exercise consumer power in the sphere of gig work view this work positively, endorsing current arrangements. Interestingly in this space, however, is the recent work of (Smith et al., 2021) who found that there was a large disconnect between what citizens assumed the conditions of gig work to be, and what they actually were.

Trends and conclusion

The gig economy in Australia has grown to the point where it has had a significant effect on the labour market and the economy as a whole; with Australia's Actuaries Institute (2020) estimating its worth at $6.3B in 2019. The change is not only in terms of its scale and scope, but also in terms of how it is recalibrating work and employment. The securities, or the rigidities, of the existing employment system are starting to be bypassed, and work is being recharacterised. That is not to suggest the employment system is perfect, or gig work is always inferior to employment (Goods et al., 2019). Persistent issues such as wage theft are persistent in employment in some industries, and indeed many workers we spoke to choose gig work because of negative experiences as employees (Clibborn & Wright, 2018; Goods et al., 2019).

The growth of gig work in Australia has largely occurred in the context of a regulatory vacuum, with existing protections not afforded to workers. First, the independent contractor classification has largely upheld by the industrial relations umpire, the Fair Work Commission (eg Fair Work Commission, 2017, 2018b, 2020), consequently employment conditions do not apply. Second, despite several government inquiries, there has been limited state intervention in this domain. Where Australia notably differs from some other developed market economies is that different states and territories relatively quickly after the emergence and growing popularity of ride-share driving effectively legalised these services, and in some cases sought to compensate the taxi industry for resultant losses due to the new competition outside of existing regulations.

Following a spate of food deliver courier deaths, the regulatory lag in terms of worker protections is potentially catching up. In response to five food delivery couriers dying in traffic accidents in late 2020, the state of New South Wales has proposed new sectoral regulation which would require food delivery platforms to provide workers with safety equipment, increase monitoring of compliance with road laws and better incident reporting and data capture (Minister for Transport and Roads – New South Wales, 2021).

At the time of authorship, the wholesale acceptance of the independent contracting classification of gig workers, both by regulators, platforms, and labour activists remains challenged. At a recent Senate Inquiry investigating work insecurity, a food delivery platform, Menulog, announced its intention to pilot a program whereby workers in Sydney's central business district would be engaged as employees rather than contractors (Belling, 2021). This, a first in Australia, was consistent with Menulog's parent company's – Just Eat – global policy, which would see couriers afforded the protections of employment. Interestingly, Menulog is seeking to negotiate a new Modern Award, which is contentious since the workers are already covered by such an industrial instrument. These industrial instruments set out the minimum terms and conditions of employment above the statutory National Employment Standards (NES). Menulog has

criticised the existing one applicable to food delivery courier as being too inflexible (Barratt et al., 2021) and in effect is seeking to carve out a separate regulatory regime for its operations. It remains to be seen, however, whether the Fair Work Commission will go along in its request for a new instrument, what the terms and conditions of any new award would be, and how this may result in an up- or downgrading of the terms and conditions of gig work, as well as shaping the experiences of job quality of this type of employment.

While the effects of these decisions and policies remains to be seen, the aforementioned changes reflect a growing recognition that regulatory action and certainty is required in the face of the growing gig economy. This may reflect a turn towards protecting worker rights in this space and moving away from food delivery couriers being the unprotected feedstock of the platform market.

What must be remembered here, though, is that these reforms are occurring in one small but visible segment of the gig economy, which has come under great public scrutiny due to worker deaths. The majority of gig workers in Australia are not food delivery couriers, and while these reforms may bring better outcomes for these workers, others are working in the gig economy, suffering many forms of insecurity in earning an income, and not being subject to this kind of scrutiny, not being protected by employment regulation and also not having their experience of work understood. There is a need for high-quality research in these arenas so a more complete picture of the disruptions of the gig economy and what to do about it can be understood.

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PART V

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THE UNFULFILLED PROMISE OF GIG WORK

Unpacking informality and gig work in India

Sara Duvisac

1. Introduction

Gig work increasingly defines the visual topographies and economies of Indian cities: from the Swiggy or Zomato[1] food delivery workers zooming by on their mopeds to the software engineers working from home in recently constructed high rises, to the ubiquitous Uber or Ola[2] drivers clogging up already overburdened roadways. These workers are a crucial part of the service sector that is the driving force of the Indian economy. Gig work, here, refers to work where workers are hired to complete specific tasks, and compensation is tied to the completion of that task; the relationship between the worker and the buyer of the service is mediated through a digital platform, and the service can be completed either digitally or in person. Although not defined as gig workers, in India the vast number of urban informal workers, working in jobs from construction to domestic work to food services, also continue to play a vital role in the urban economy.

Informal work remains an intractable and dominating reality of the Indian economy, the largest in South Asia. Estimates suggest that over 90% of employment in India is informal, with much of it in the agricultural sector (ILO 2019). Broadly, informal work can be defined as work that is not covered by labour laws or labour contracts.[3] Concomitantly, formal work in India, especially in the manufacturing sector, has increasingly become informalised since the 2000s as the share of contact or temporary workers increased (Hensman 2011; Sharma 2006; Sood et al., 2014). Contract and temporary workers in the formal sector in India are not entitled to the same labour protections and entitlements such as pensions or collective bargaining rights as permanent workers. The transformation of formal work in India follows global patterns around the increasing informalisation or precariatisation of work (Kalleberg 2011; Standing 2011; Vosko 2010; Weil 2014). That is work that is temporary, contract, part-time, or self-employed and does not have associated fringe benefits or job stability, security, or career mobility.

Although the discussions of non-standard, precarious, and contingent work in advanced economies includes gig work, the same is not necessarily true in India. Popular public discourse in India, particularly as led by business leaders and policymakers, holds the expansion of platform gig work as a pathway to address the structural shortcomings of an Indian labour market plagued by insufficient employment opportunities and the informality of work (ASSOCHAM 2020; BCG 2021; Mehta 2020). Proponents of gig work in India argue that it can provide increased employment opportunities in the formal sector and improve working conditions for millions of workers

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in the Indian economy (ASSOCHAM 2020; BCG 2021). For middle-income countries such as India, with low rates of formal employment, digital gig work holds the hope of improving domestic employment prospects. This is true not just for India, but also Pakistan and Bangladesh, countries that also play an important role in meeting the demand for global digital work, known as crowdwork. Crowdwork is digital gig work that is not geographically tethered, is often associated with higher levels of education or skill, and can include activities such as coding, software development, designing, editing, etc. In fact, India is the largest supplier of digital freelancing work on global platforms: in 2020, India alone accounted for 30%[4] of the global supply of crowdworkers (Stephany et al., 2021).[5] Bangladesh and Pakistan are the second and third largest suppliers of crowdworkers, supplying 14% and 11.7%, respectively (Stephany et al., 2021).

Despite the significant role that India plays in the global supply for skilled or semi-skilled gig work, gig work comprises a fairly small component of the domestic Indian labour force (an estimated 3 million out of 500 million total workers in India) while informal workers continue to comprise the majority (Banik 2020). The duality of work in the service sector, between the new gig workers and the historically entrenched informal workers, highlights the ways in which the discussion of gig work in India cannot be divorced from the long-standing debates around informal work and the informalisation of work.

This chapter examines how the category of gig work highlights new forms of labour relations while also embodying the long-standing and dominant forms of labour relations in India and, more broadly, South Asia. Gig work, particularly crowdwork can provide a compelling and exciting pathway to alleviate the shortcomings of the Indian labour market. However, this chapter argues, that absent clear interventions from the state to mitigate the precarious nature of gig work and strengthen the bargaining power of workers, the promise of gig work will remain unfulfilled. Rather than shattering structural inequalities in the labour market, it may reinforce them. Particularly, arguments put forth by the proponents of gig work that it can be an answer to India's dismally low female labour force participation cannot be realised absent clear state interventions to address the ways in which gig work continues to exploit gendered inequalities of the labour market. Conceptually, politically, and legally separating out the small number of gig workers from the majority of contingent workers in India deepens intra-class divides in gender, caste, and social status within India's working class.

This chapter will first explore the context of the political economy of the transformation of work in India to contextualise the emergence of gig work. Second, it will examine and assess the nature of gig work in India and the three common arguments made about the potential benefits of gig work. Last, the chapter will explore the emerging contestations around rights posed by gig workers and the ways in which gig worker organising can build on the long history of informal worker organising in India.

2. The transformation of work, markets, and rights in post-liberalisation India

Since independence, two factors have defined labour relations in the Indian economy: agricultural work and informality. That is, employment in India has historically been concentrated in the agricultural sector, and work in both urban and rural areas has largely been informal. In the 1990s the Indian government instituted a regime of trade liberalisation, opening up Indian markets to foreign direct investment and consequently, increasing the role of foreign-owned firms and private domestic firms in the Indian economy. Trade liberalisation marked the increasing privatisation of the public sector and the rise employment opportunities in the formal private sector, fuelling the growth of the middle class (Fernandes 2006).

After liberalisation, although the share of the agriculture sector in the gross domestic product (GDP) declined from 26% in 1994 to 17% in 2019, the share of employment in agriculture remains stubbornly high at 43% in 2019 (World Bank 2020). Moreover, although the service sector now comprises 50% of GDP as of 2019, its share of employment is only 32%. Furthermore, informal employment continues to be the dominant mode of work: the reported share of employment in the informal sector is 75% in rural areas and 69% in urban areas (Kathuria et al., 2017).

With the opening up of markets, the nature of rights associated with formal work also shifted. After independence, India instituted a number of comprehensive labour codes for white- and blue-collar workers, including labour protections for contract workers, which were instituted in 1976. In post-independence India, formal sector permanent workers (blue- and white-collar) enjoyed strong labour protections and rights with pension, maternity, and disability benefits as well as collective organising rights (Fernandes 2006; Kattumuri and Singh 2013). Broader social protections around food security, healthcare, and schooling were made available to the vast majority of workers outside of formal employment, who did not fall under formal labour protections.

Post-liberalisation, the Indian state scaled back on the collective bargaining rights of industrial workers (Hensman 2011). In addition to the Indian state actively working to legislatively change labour codes in order to weaken worker protections, there were two structural shifts in the economy that also weakened labour protections for formal workers. First, was the rise of white-collar private-sector jobs, which in India don't have the same traditional employment rights that are guaranteed to white-collar public sector jobs (Fernandes 2006). Second, shifts in global production networks, which increasingly relied on subcontracting to more flexibly and costless meet changes in demand, created global demand for informalised work, particularly, in the economies of the Global South (Balakrishnan 2002; Barrientos et al., 2011; Milberg and Winkler 2013; Phillips 2011). This in part led to the increasing share of temporary and contract jobs in India, from 25% in 2010 to 38% in 2017 (Kathuria et al., 2017).

Debates have raged in India about the role that labour laws have played in explaining the rise of informalisation. A number of scholars have argued that India's protective labour laws incentivise informalisation as firms seek to hire workers outside of them in order maintain profitability (Jenkins 2004; Sapkal 2015). While others, have pointed out that India's lack of enforcement of labour laws and the weakened bargaining position of workers after liberalisation led to the rise of non-standard work arrangements in the formal sector (Sood et al., 2014). The debates point to a larger question regarding the political implications of increasing informalisation. Informalisation is not just about cutting costs, but often it is also tied to disciplining workers, as evidenced within India's automobile manufacturing industry (Duvisac 2019a). The lack of clear bargaining rights for informalised workers and their job insecurity has been a way for firms to maintain harsher working conditions and engage in labour cost-cutting. The search for flexibility has also blurred the lines between formal and informal work, with formal work taking on many of the characteristics of informal work.

3. The emergence of gig work in India: informality and professionalisation

It is in this context of increasing informalisation, weakening of labour rights, and persistent informality that gig work has emerged as an increasingly vaulted form of employment relations. As is the case globally, gig work in India encompasses a wide range of activities from software engineering to beauty services. The two broad categories of gig work are crowdwork

and on-demand work (ILO 2021). In crowdwork tasks are both commissioned and competed virtually; the client and worker do not have to be geographically connected (Hunt and Samman 2019; ILO 2021). Crowdwork is composed of both higher-skilled and higher-paid work and lower-paid and lower-skilled[6] work. It can include microwork, which includes tasks that require basic skills, and have lower levels of compensation. On-demand work, in contrast, is geographically tethered work, encompassing services such as driving, delivery, beauty, and domestic work (Woodcock and Graham 2020). On average, these jobs are likely to be compensated with lower wages, and require lower levels of education than many of the crowdwork jobs. The piecework nature of gig work is found in both crowdwork and on-demand work (Hunt and Samman 2019; Kässi and Lehdonvirta 2018). In most platform gig work, the platform manages the relationship between the consumer and service provider and sets the general terms of service, including pricing (Hunt and Samman 2019; Woodcock and Graham 2020).

As in informal and precarious work, in gig work, many of the risks associated with employment are transferred to the worker from the employer (Woodcock and Graham 2020; Vosko 2010). Gig work, in many ways, exemplifies the goals of flexibilisation that manufacturers have pursued within global production networks (GPNs), primarily to access on-demand hiring and firing to seamlessly meet the changes in demand. Moreover, the subcontracting relations prominent in GPNs are also prevalent within platform gig work in India (ILO 2021).

Despite these similarities, legally, the Indian state separates informal workers from gig workers. Till recently, Indian labour codes did not define or acknowledge gig workers, and gig workers were not eligible for employment protections and benefits. The newly implemented Code on Social Security, 2020 for the first time legally defines gig workers and stipulates work-related benefits. However, the legislation provides no language that indicates any penalties for employers that do not follow the stipulations of the Code. The Code distinguishes between platform and gig workers; it defines a gig worker as a 'person who performs work or participates in a work arrangement and earns from such activities outside of traditional employer-employee relationship' (Government of India 2020). Platform work is defined as 'an employment form in which organizations or individuals use an online platform to access other organizations or individuals to solve special problems or to provide special services in exchange for payment' (Government of India 2020). In narrowly defining platform workers in terms of self-employment, the classification obfuscates the reality that many gig workers are subcontracted workers. Moreover, it obfuscates the reality that the vast majority of Indian workers are outside of the 'traditional employer-employee relationship'.

The differentiation between gig and informal workers is not only a question of legal classification. Gig workers have captured the popular imagination as a part of the new India, whose economic growth is driven by innovations in the technology sector. Gig workers' proximity to new technology distinguishes them from informal workers, who are viewed as part of the old non-modern Indian economy. In particular, three main claims are made about the potential benefits of gig work in India: (1) it will provide employment in the formal sector and increase employment opportunities, (2) it will provide improved working conditions, and (3) it will improve women's employment opportunities (ASSOCHAM 2020; BCG 2021; Bessen 2014; Mehta 2020).

3.1 Expanding employment opportunities

For the past two decades, India has experienced relatively high growth rates, but without concomitant employment growth, India has generally experienced virtually jobless growth (Ababakar and Nurudeen 2019). Moreover, an estimated one-third of skilled youth in India were

unemployed in 2017 (ILO 2019). With insufficient job opportunities, the labour supply far outstrips opportunities in the country. Gig work, particularly crowdwork, offers one potential solution to the intractable problem of insufficient jobs within India; the Ministry for Electronics and Technology estimates that the platform economy could generate 60 to 65 million jobs (Ministry for Electronics and Technology 2019).

However, estimating the size of the gig economy, and the demand for gig workers is difficult and nearly impossible given the lack of conformity in categorising and defining gig work, and the informality of many forms of gig work (ILO 2019). One estimate indicates that gig workers constitute 3 million workers out of a total working population of 500 million in India (Banik 2020). Another estimate by India's Chamber of Commerce finds that there are nearly 15 million digital freelancers in the Indian economy (ASSOCHAM 2020). Disparities in estimation exist given the issues around which types of gig work are captured, especially for gig workers engaged in part-time work. Despite open questions about the size of gig work in India, it is quite clear that India is a vitally important source of digital labour supply and that the demand for gig workers is expected to continue to grow. The Online Labor Index (OLI) provides some of the most comprehensive data on gig work and data from the OLI indicate that almost one-third of global remote online workers are based in India (Stephany et al., 2021).

A critical question, given the vast informality of work in India, is what kind of alternative employment gig work actually provides. Globally, the vast majority of gig work is low waged and low-skilled, only around 30% of gig work is categorised as specialised (BCG 2021). Higher-skilled gig work includes software or IT work and design, whereas lower-skilled gig work includes rideshares, domestic work, deliveries, and so on. Data do not provide a clear picture of what proportion of Indian gig workers are engaged in higher-skilled, higher-waged gig work versus on-demand delivery services. Some estimates indicate that the majority of the gig workforce is lower-waged and lower-skilled work (BCG 2021). Furthermore, analysts in India have explored how existing jobs can be made 'gigable', with one estimate suggesting that nearly 70 million jobs in sectors ranging from manufacturing, retail, and construction could be made 'gigable' (BCG 2021). Such a transformation would not necessarily increase economic opportunities but would likely create new insecurities or reproduce insecurities for jobs that were likely already classified as informal, non-standard, or contingent. Additional research is needed to examine to what extent wage differentials exist between lower-skilled on-demand gig work and similar types of jobs in the informal economy.

3.2 Increasing women's economic opportunities

Although the data are unclear about the nature and breadth of employment opportunities in gig work, what do they say about women's employment opportunities in gig work? India has one of the lowest female labour force participation rates, at 27% as of 2017 (World Bank 2018). The World Bank estimates that 62% of employed women in India work in the agricultural sector, 15% in the manufacturing sector, and 13% in the service sector (World Bank 2018). Work in urban areas remains better paid, but women's labour force participation in the urban areas falls below 20% (Jose 2018).

Because of the flexibility it offers, gig work, in principle, could help breakdown some of the core barriers to women's labour force participation in India: social norms restricting female mobility, lower levels of education relative to men, and lack of employment opportunities (Chaudhary and Verick 2014; Verick 2014). Women's employment in India is often correlated with class, with higher rates of employment for working-class and upper-class women (Rustagi 2010). Working-class women are often economically unable to exit the workforce and hence

remain, whereas upper-class women can often afford to pay for care work, allowing them to enter the workforce. Women's role in providing unpaid care work in the home often means significantly reduced professional opportunities for middle-class women. In professional jobs, where women often enter the labour market early in their careers in comparable rates, the primary issue is one of exit. A national survey found that only 27% of professionals in India are women, and 48% of them leave their job in the first five years and 65% quit their job within ten years (Government of Kerala 2021). In software engineering, many women after five years on the job drop out owing to structural disadvantages in the workplace tied to their care work responsibilities (Duvisac 2019b).

In principle, the flexibility offered by gig work would allow women to work while still managing their care responsibilities at home. It may also help women avoid the structural disadvantages within the workplace that push many of them out of the labour market. The ability to work from home or near home may also help women who have to navigate restrictions or gender norms regarding mobility. Gig work may also, in principle, allow women to bypass the motherhood penalty on wages, whereby women are paid less given the time they take off for motherhood, especially in professional jobs (Benard and Correll 2010; Correll, Benard and Paik 2007).

Some estimates about women's participation in gig work do find higher participation rates than in non-gig work. One study estimates a 50% participation rate, while a second study finds that there is a higher demand for women workers in certain types of gig employment (Noble House 2019; TeamLease 2019). In contrast, data from the OLI indicate that as of 2020, women only comprise 28% of the online workforce in India, lower than the global average 39% or 41% in the United States (Stephany et al., 2021). The discrepancy between these estimates could be attributed to the fact that the OLI survey draws from crowdwork platforms, whereas other studies draw from a combination of on-demand and crowdwork platforms. The OLI estimates that women are much more prevalent in writing and translation work, which are slightly lower waged work, indicating that gendered occupational segregation remains in crowdwork. However, in India, women, according to OLI data, make up 25% of remote tech workers compared to one in five in the United States. On the whole, the data indicate that there is gendered segregation by occupation and that women's participation may not be much higher than what is found in non-gig work.

The existing data also do not indicate whether women employed in gig work are able to avoid labour exit later in their careers. That is, the data do not shed light on whether women with care work responsibilities who drop out of the labour market for permanent jobs are taking up jobs in the gig economy. Furthermore, even in gig work, significant pay discrepancies exist between male and female workers, and smaller reports have pointed to safety concerns for women workers, particularly in terms of the risk of sexual violence (Kasliwal 2020; Kathuria et al., 2017). Some surveys suggest that longstanding stereotypes of women workers' docility and subservience inform employers' assumptions about why women would be good gig workers (Kathuria et al., 2017). It highlights the ways in which gig work continues to perpetuate existing forms of gender discrimination in the labour market. In sum, the picture of increasing employment opportunities for women in gig work remains unclear, and importantly whether it improves women's working conditions is inconclusive.

3.3 Improved working conditions

Proponents of gig work argue that platform work affords new opportunities for entrepreneurship and asset building that are rarely afforded to traditional low-wage and low-skilled service workers (BCG 2021). For example, when Uber entered the Indian market, it provided generous

benefits to incentivise drivers to join the platform; drivers could hope to earn nearly Rs. 90,000 a month (Surie and Koduganti 2016). In comparison, a young nurse in a private hospital would expect to earn about Rs. 25,000 a month (Duvisac 2019b). A study of Uber drivers from this initial period found that drivers preferred driving for Uber over their previous non-gig jobs (Surie and Koduganti 2016). Working for Uber afforded them higher wages, and by working longer hours, they could increase overall incomes and consequently build up their savings (Surie and Koduganti 2016).

However, once Uber had gained a significant market share, compensation to drivers decreased, following global patterns of Uber's business model. Many drivers, despite working long hours, often failed to make secure levels of income (Surie 2018). Uber and Ola drivers express dissatisfaction with the long hours and their compensation; drivers found that the income guarantees offered by Uber to recruit them largely did not come to fruition (ILO 2021; Ray 2019; Surie 2018). Moreover, many drivers work for Uber through subcontractors, driving cars owned by others, creating further insecurity (ILO 2021).

A survey of platform workers engaged in both on-demand and crowdwork finds that workers are generally unsatisfied with their wages, job security, and the provision of social security benefits within their jobs (Fairwork 2020; ILO 2021). A survey of gig workers on 11 platforms[7] in India found that in seven of the 11 platforms, workers did not make minimum wage, and most workers expressed fears of income insecurity (Fairwork 2020). Moreover, workers in 9 of the 11 platforms did not have clear terms and conditions or clear pathways to address issues related to non-payment of wages or poor working conditions (Fairwork 2020). These findings highlight the ways in which gig work in India mirrors the defining characteristics of precarious work: no clear career advancement, no social security, low wages, and workers carrying the full risk of their employment (Fairwork 2020; ILO 2021).

4. Balancing the scales: contestation and the state in gig work

Although, thus far, platforms in India are not on the whole associated with good working conditions, they do not in and of themselves necessitate poor working conditions. The experiences of worker-owned or cooperative platforms indicate the ways in which platform work can be associated with better outcomes for workers, from increased security to higher wages (ILO 2021; Scholz 2016). Democratically run cooperatives, in general, structurally, increase worker bargaining power by giving workers control over labour practices and often also power over decision-making in how profits are reinvested (Isaac et al., 1998). Platform cooperativism, however, has thus far been largely absent in India. One of the few examples is a digital platform run by the Self-Employed Women's Association (SEWA), one of India's largest unions for women informal workers (ILO 2021). It is unclear to what extent platform cooperativism will spread in the Indian economy. For now, struggles for increasing bargaining power have been focused on more traditional collective actions, from strikes to work stoppages.

There have been emerging contestations among on-demand gig workers, particularly those in the food delivery and cab service platforms such as Uber, Ola, Swiggy, and Zomato (ILO 2021; Ray 2019; Surie 2018). Some have been focused on gaining union recognition, while others have focused their demands on improving work conditions. The geographically bounded nature of the client and provider relationship in these services has been an important, albeit not sufficient, condition for their ability to organise collectively. Workers have been able to build and leverage their associational power, even if their structural power within the economy is weak.[8] Unsurprisingly, established trade unions have accordingly invested in building the power

of on-demand workers (ILO 2021). However, actions have been unable to extract significant concessions from neither the state nor platforms thus far (Ray 2019). These platforms have also been ones that are male-dominated, reifying the existing marginalisation of women within formal trade union organising (Hosmer and Mitter 1994).

Crowdworkers, in contrast to on-demand workers, face a double barrier to engaging in collective action. The geographically disaggregated and transnational nature of crowdwork creates significant barriers to establishing connections among workers and building a cohesive worker identity. Moreover, the patterns of the global distribution of supply and demand for crowdwork are grounded in maintaining and exploiting geographical inequalities between rich and middle- and low-income countries. Much of the demand for crowdwork continues to originate in the United States and the United Kingdom, while workers meeting that demand primarily come from countries such as India, the Philippines, Pakistan, and Bangladesh, which reduces the bargaining power of workers in middle-income countries such as India (Graham et al., 2017). Consequently, although there are instances of higher-skilled crowdworkers organising collectively in the Global North, the same has not been true for India (ILO 2021). Some have proposed that transnational unions could facilitate worker mobilisations across national boundaries, strengthening the bargaining position of transnational crowdworkers (Graham et al., 2017).

The experiences of informal workers' struggles in India also offer lessons for organising gig workers. Informal workers in India, facing similar collective action constraints as gig workers, focused their attention on state actors rather than employers. Although outside of the formal social contract of labour rights, informal workers have engaged in sustained contestation around collective social citizenship rights within the Indian political sphere (Agarwala 2013; Chatterjee 1993). As Agarwala (2013) documents, for example, women engaged in home-based and piecework rolling of beedi cigarettes successfully targeted state actors rather than employers for the provision of social security benefits, from pensions to healthcare to education for their children. Many states in India also have welfare boards for informal workers that provide minimum security benefits, including for workers that engage in piecework (Agarwala 2006). These welfare boards only focus on welfare rights, however, and not on conditions of work such as minimum wages or the insecurity of work; hence they are not a panacea for the precariousness of gig work. More broadly, the experiences of informal workers reflect the ways in which institutional frameworks can protect, constrain, and/or facilitate new innovative modes of collective organising for workers at large (Lee 2007; Piven and Cloward 1979).

A new proposal from the state of Kerala offers a window into how state interventions could both mitigate the inherent insecurity of gig work and potentially strengthen the bargaining power of gig workers, specifically crowdworkers. In 2021, the Kerala state government proposed and began to implement a program that would build a state-sponsored digital platform for crowdwork to benefit an estimated six million workers. As a state-run platform, the state government will be responsible for negotiating with companies the terms of work, setting minimum standards for employment, and ensuring social security measures for workers. Companies that avail of the state platform will be required to contribute to the state provident fund (pension system) or pay for a private pension plan, and workers will be guaranteed health insurance. The government also proposes to build collective workspaces for workers who need them (Government of Kerala 2021).

The program attempts to address some of the shortcomings of gig work in India. First, the program has an explicit goal to target professional women, particularly those who have exited the labour force, including those who took a career break during the COVID-19 pandemic. To ensure that women can qualify for these positions, the state will provide skills training at no cost. The state government estimates that there are nearly four million women who have taken

professional breaks but would work if they could do so from home or close to home. Second, the program also has an explicit aim to target recent graduates and will also provide skills training to ensure that young graduates can compete for these jobs. State-sponsored free skills training can also help to ensure that marginalised groups, including marginalised caste groups, will be able to access employment opportunities. The state government, importantly, outlines that skills include not only technical skills but also modules in communication, negotiation, language, labour laws, and so on. Moreover, third, the program will help finance loans for workers for the purchase of necessary equipment, and the state would bear the cost of any unpaid debt in the case of extended unemployment. In principle, this would also mitigate inequalities in opportunities for different socio-economic groups to enter the labour market for higher-skilled gig work. Fourth, the program aims to explicitly attract higher-skilled jobs. The state has committed to funding training for skills from data analytics to machine learning to artificial intelligence to do so (Government of Kerala 2021).

The Kerala approach to crowdwork provides a potentially powerful model that harnesses the benefits of gig work while protecting workers. By negotiating some of the basic rights and conditions for workers and providing skills training, the state may potentially strengthen the bargaining power of workers. Workers across the state could be in a position to build both associational and structural power, given that they will be tied to one centralised platform. However, the state government has largely left the question of explicit collective bargaining rights for gig workers unaddressed, as well as the role of trade unions within the new proposed platform.

Whether it is successful or replicable is an open question, given the program is in its early stages. Kerala, in many ways, is uniquely suited for this model in ways that may be difficult to replicate; this includes its strong welfare state model, history of labour organising, and highly educated labour force. The so-called paradox of Kerala has been its high human development outcomes coupled with low economic growth (Kurien 1995). Critics of Kerala have argued that Kerala's strong trade unions and labour laws have historically pushed away private investment from the state. This has resulted in a significant proportion of the educated workforce leaving Kerala in search of employment opportunities (Zachariah et al., 2001). In many ways, the promise of higher-skilled gig work is an immense one for the state and, in particular, would reduce its reliance on remittances for growth.

5. Conclusion

A long-standing debate is in what ways gig work is a wholly new and unique iteration of labour relations. While the role of technology, particularly the advent of platforms, has invariably shaped new characteristics, much of what defines gig work mirrors older forms of labour relations. One area of labour protection unique to platform workers, however, is around protecting the data privacy of digital gig workers, an area that states have been slow to address this issue in India and globally (ILO 2021). However, the central tension of employment under capitalism remains; workers have to sell their labour power to meet their basic needs while employers or owners of capital seek to cut labour costs and increase profitability. Much of what defines gig work is that it gives employers numerical flexibility to ensure that the supply of labour is nearly perfectly responsive to demand. Moreover, the piecework nature of gig work makes it easier for platforms to discipline workers, often aided by technological innovations that can track worker productivity. Concomitantly, employers can provide the bare minimum in terms of wages and minimum securities. These are, in many ways, the defining characteristics of work under capitalism.

In contrast, standard employment relations in the post–World War II period were a brief moment that provided an alternative approach to employment under capitalism by increasing protections and the bargaining power of workers. It was a system, however, primarily accessed by white men in the Global North and was premised on the unpaid or underpaid social reproductive work of women or marginalised ethnic and/or racial groups (Vosko 2010). In India and much of South Asia, standard employment relations existed for a marginally small proportion of the workforce, with the vast majority of workers outside of these protections.

In a country such as India, with high levels of informality and insufficient employment opportunities, it is true that crowdwork offers new possibilities by freeing up labour from geographical constraints. In principle, it should allow labour to move as freely as capital across national borders. However, what little data exists indicate that this freedom is premised on low wages, insecurity, cost-cutting, and the weakened bargaining power of workers. In this context, it becomes critical not to wholly distinguish gig workers, including the higher-skilled workers in crowdwork, from informal workers. Gig work in India, as in much of South Asia, cannot be divorced from the long history and debates on the informal economy and informalisation.

As discussed within the chapter, informal workers have been for decades charting pathways to improve working conditions and win welfare rights despite the insecurity of their work and structural barriers to strengthening their bargaining power. The proposal from the Kerala state government builds on some of these lessons to propose a state-run platform that could potentially protect gig workers. Broadening the political salience of gig work to include informal workers provides an important window to protect some of the most marginalised communities in India: women and marginalised caste groups. Separating out the futures of gig workers, particularly those engaged in crowdwork and high-skilled work, continues to uphold caste and gender cleavages of the Indian labour force and labour movement, potentially diminishing its overall strength. Although data on the caste composition of gig workers are sparse, a few studies of software engineers have found that upper caste groups dominate the industry (George 2018). It is likely that higher-skilled gig work would reflect these divisions, whereas lower-skilled gig work, particularly on-demand services, will include higher proportions of marginalised caste groups. Given the ways in which gig workers have caught the imagination of policymakers and business leaders, it becomes imperative to tie the protections of gig workers to informal workers.

The economies in South Asia are distinct, but shifts in gig work in India can hold lessons for South Asia more broadly. In economies with high levels of informality, gig work poses the risk of institutionalising in the formal sector the insecurity of the informal sector. It may improve employment opportunities, but likely at the cost of continuing insecurity. The opportunity to address the conditions of work for informal workers in the discussion of gig work is one that should not be ignored.

Notes

1 Swiggy and Zomato are two of the most popular platform delivery services in India.
2 Ola is an Indian owned car service and a competitor to Uber.
3 Hart (1973) first coined the term in describing self-employment as opposed to wage employment in Ghana. This chapter draws on the definition put forth by Portes et al. (1989), which notes that informal workers are home-based workers, self-employed workers, or wage workers that work in enterprises outside of formal labour regulations. In India, this often includes workers who work for small firms or subcontractors that are not in the formal or 'organised' sector due to their size.
4 These estimates are drawn from the Online Labor Index (OLI). The OLI uses data from online gig platforms, tracking projects and tasks posted to estimate the supply and demand of gig labour across

different countries. It only estimates work that crosses national borders and does not include on-demand platforms that are for services that are demanded and filled locally (e.g. Uber or Airbnb) (Kassi and Lehdonvirta 2018).

5 Occupations included are software development and technology, creative and multimedia, clerical and data entry, writing and translation, and sales and marketing support.

6 Skill here refers to specific training that employees may need to be eligible for particular jobs.

7 They included Ola, Uber, Swiggy, Amazon (ATS), Flipkart, and Zomato.

8 I draw on Silver's (2003) distinction between structural and associational power.

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26

PLATFORM ECONOMY, TECHNO-NATIONALISM, AND GIG WORKERS IN INDIA

Dev Nathan, Govind Kelkar, and Balwant Mehta

1. Introduction

The central concern of this chapter is to link findings on the gendered conditions of gig workers in India with the nature of the platform economy and the techno-nationalist struggles currently underway in this growing sector of the economy. It is necessary to first clarify the nature of platform economies and the manner in which they create, recreate and depend on gig workers. With a very large number of workers (sometimes numbering in millions on some platforms in India), and few buyers of labour power on the other side, this is a form of monopsony capitalism.

Consequently, this chapter begins with a summary of the nature of platform economies and its connection with the generalisation of gig work. Platform economies involve struggles between platforms headquartered in different countries. Such struggles between platforms are now very visible in India, featuring almost daily into both electronic and print media. These struggles between platforms for domination or for market share necessarily involve the states of those platform headquarter countries, who can make rules, such as for data localisation, that favour national platforms. Therefore, the discussion of the nature of platform economies is followed by one about the nature of techno-nationalism in struggles between platforms. In supporting the development of national platforms, the Indian government has followed a very permissive labour policy with regard to gig workers on platforms. The policy is one of strengthening Indian platforms while weakening labour. This gives rise to specific concerns with regard to gendered gig workers.

The next section sets out the different types of platforms operating in India, divided into two broad categories: that of the online, web-based platform and the location-based platform (ILO 2021). Then we summarise data on the earnings of gig workers in these platforms and other aspects of their working conditions. This is followed by a discussion of some important gendered labour issues in gig work. The concluding section puts forward a few points for measures to improve labour conditions in gig work.

2. Nature of the platform economy

Gig work is largely based on digital platforms. There are older offline forms of gig work such as in the provision of domestic services with payments for the particular tasks or gigs performed. However, the older forms of gig work are being substituted by digital platform-based work because of the economies of scale and scope in the platform organisation of gig work.

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Furthermore, gig work is becoming generalised as the way in which work is organised in the platform economy. By generalisation, we mean that it is not the manner of organisation of just a part of the service, but of the entire service that is offered by the platform.

These platforms are of two types – *location-based platforms*, where tasks, such as taxi, delivery, and home services are carried out in person in particular locations; and *online web-based platforms*, where tasks are performed online, possibly remotely, by workers (ILO 2021). The location-based platforms are themselves divisible into two sub-sets – one, the e-commerce platforms that sell various goods to customers; and two, the online labour platforms that provide various digital services, differentiated by the level of knowledge and skills required for their performance.

Therefore, we have three types of functions performed by platforms: (1) the provision of services through location-based platforms; (2) the provision of online digital services through online web-based platforms; and (3) e-commerce in which web-based platforms combine with location-based platforms, for example, where a sale is carried out on the web-based e-commerce platform which is then fulfilled by a location-based supply and delivery service.

There are two characteristics of these global platforms. The first is that they are based on knowledge monopolies, based on a combination of intellectual property rights (IPRs), whether of codified knowledge resulting in patents or of tacit knowledge resulting in copyrights and trademarks (Pagano 2014, Durand and Milberg 2019, Kaplinsky 2019, Nathan 2020, Rikap 2021). This has also been called intellectual monopoly capitalism (Pagano 2014, Rikap 2021). A monopoly should always be understood as possessing degrees of monopoly, as proposed by Michal Kalecki (1970). The hyper-scale platforms leverage their concentrated knowledge and high capital investment through, 'network effects, technical standards, patent law, and good old-fashioned barriers to entry to lock in their market power' (Foster and McChesney 2014, 19).

3. Hyper enterprises

The second characteristic of platforms is that they have led to the creation of hyper enterprises. Earlier, there used to be monopolies or oligopolies in single markets, such as the Big Three car makers in the United States, the VW group, BMW, and Mercedes Benz in Germany, or Toyota and Honda in Japan. However, now with the platform economy, we are seeing monopolies simultaneously across several markets, joined together by the platforms' ability to link data across markets. Facebook, a social media platform, links with WhatsApp and Instagram, with data being transferred across their respective spheres of operation. Data analytics and AI systems do better with larger volumes of data, which are secured through this cross-sector connection. This data connection is the base of hyper enterprises, which can be defined as those with hundreds of millions of customers or subscribers and monopoly positions in more than one market.

In India, the Reliance-Jio telecom network has a subscriber base of 400 million subscribers. With the use of Facebook's WhatsApp, Reliance Retail expects to connect tens of millions of small groceries with one wholesaler. In such hyper enterprises, the immediate interests of the enterprise in one sector may well be sacrificed for securing a greater overall volume of business. In this manner, Jio Telecom slashed data rates for its subscribers, sacrificing telecom revenue for securing a large customer base in retail stores that would use data capacity for their transactions.

The other Indian conglomerate, Tata, is also taking steps in this direction by linking both its own disparate enterprises, from salt-to-steel and cars-to-chemicals and software services, with the other large telecom operator, AirTel. This would enable Tata to develop a platform across sectors, leveraging the 400 million subscribers of AirTel with its own customer bases in various sectors, in each of which it has a degree of monopoly. Tata is developing a 'Super App' that will

link all its business, presumably in the expectation that it will become a one-stop shop for everything from garments to electronics, integrating currently offline shops with the digital space.

Gig work is created through all these platforms. Online web-based platforms create gig work either for freelancers – professionals who carry out relatively skilled tasks such as web design or workers with lower skillsets (called microtaskers), who carry out minute digital tasks. Freelance work and microtasking are both organised through crowdsourcing (Howe 2006). This is a new form of outsourcing or contracting out of work. In crowdsourcing, unlike in currently traditional global value chains (GVCs), outsourcing is usually not contracted through direct and in-person lead firm-supplier interaction, but through the use of a platform-mobilised crowd to carry out outsourcing.

This online crowdsourcing ranges from the retail purchase of goods, as in e-commerce by Amazon (worldwide), Alibaba (China), Flipkart/WalMart (India), Reliance Retail (India), or Tata Digital (India); to taxi services by Uber (worldwide), Didi Chuxing (China), and Ola (India); to food delivery by Swiggy (India) and Zomato (India); digital services by Amazon's Mechanical Turk (AMT, worldwide) and Elance-oDesk and Upwork (worldwide); or even of domestic services by Urban Company (India) and MyMaid.com (India).

In providing these services, they utilise two types of workers. One is that of workers directly employed by the corporations to run their platforms, such as Amazon or Microsoft's own employees. The other is that of workers employed in providing various components of their services – such as delivery of goods ordered on the platforms, hotel rooms, taxi rides, or the various other services mentioned earlier. There is a clear distinction between these two sets of workers. Those running the platforms and associated assets are generally workers who perform knowledge-intensive tasks, often obtaining some shares in the platform corporation and, thus, some of the platform's profits.

The other set of workers of these platforms are the gig workers, who perform specific tasks that create and deliver the platform's particular services. The tasks they perform are often not knowledge-intensive. The tasks are, in a sense, traditional, ranging from driving a taxi to delivering goods. Therefore, the workers are easily substitutable. There are also more skilled-tasks delivered by platforms, such as web design, other software-related work, and educational services. The more knowledge-intensive are likely to be better paid and are possibly even something from which a career could be built. The more knowledge-intensive tasks are a form of freelance consultancy, with the search for the appropriate consultant being conducted through the platform.

So what do digital platforms do? In order to decipher the relationship between gig workers and platform-based global monopsonies, it is first necessary to be clear about what platforms are and do. First, the platform-based enterprise is a new type of firm characterised by providing the infrastructure to intermediate or interface between different user groups (Smicek 2017). However, as intermediates. They are providing a service. Uber or Ola provides taxi services, which are delivered by taxi drivers with their vehicles. This taxi service is what the transport platforms offer and sell to customers. The drivers cannot directly access this large volume of customers. They are forced to access the customers through the platform app. In the process, drivers exchange their service or labour power for money, with the amount that will be paid for the service being decided by the platform. Since the platform decided on the drivers' remuneration – in other words, their wages – this is the relationship of a worker, selling labour power to the platform, which sells the resulting service to the customer. This relationship is quite irrespective of the actual legal or employer-decided categorisation (Woodcock and Graham 2020). The platforms argue that these drivers are independent businesses and the platforms merely provide the intermediation. However, this is incorrect. As a judge in a worker rights' tribunal pointed

out, 'The notion that Uber in London is a mosaic of 30,000 small businesses linked by a common "platform" is, to our minds, faintly ridiculous' (quoted in Woodcock and Graham 2020, 44). The platform is an intermediary, but the service that Ola or Uber provides to customers is a taxi service. The drivers are the workers who deliver this service.

This is a form of outsourcing. The platform retains for itself the intermediation functions, the related function of extracting, analysing, and using data, and also decides on the wages paid to the workers who actually provide these services. The platform is the spider at the centre of a web, connecting consumers and producer-sellers of the service. The rides provided are not independent services brought together by the platform. Instead, the platform creates the business and outsources the provision of the necessary services, connecting the customers and the service providers. As Woodcock and Graham point out, 'This is a continuation and intensification of the longer process of outsourcing, minimizing the costs and risks to the platform' (44).

Therefore, it is necessary to identify platforms by the services they provide to consumers, and not by the technology they utilise for that purpose. Uber and Ola provide taxi services; Swiggy and Zomato provide food delivery services; Airbnb and the Indian OYO provide hotel accommodation; Amazon, Flipkart/WalMart, Reliance Retail, and Tata Digital all provide consumer retail services, and often much more. In fact, a feature of platform businesses is that they begin to look like each other, whatever their origins may be.

Platform outsourcing creates a large workforce of service providers, be they drivers, delivery workers, or hotel room providers. Through crowdsourcing, it creates a form of monopsony capitalism, a term used to characterise contemporary capitalism in Ashok Kumar (2020), Dev Nathan (2020),[1] and Dev Nathan et al. (2022).

To take examples of the number of crowdsourced workers for these platforms, consider just the case in India: Uber has 1.5 million drivers, and Ola has 1.2 million drivers; meanwhile, the food delivery platforms Swiggy and Zomato each have 0.2 million and 0.3 million delivery workers, respectively. There are no private corporations with comparable numbers of workers; in 2019, even India's biggest conglomerate, the Tatas, had 729,000 employees,[2] less than half the number of Uber drivers. These platforms are truly monopsonies – very large numbers of workers with just a handful of employing firms.

4. A captive workforce

One condition that fosters such a monopsony is that of a surplus labour force, which exists in developing economies. However, with digital connections, as in the case of online web-based platforms, the labour force has become global, a planetary labour force (Graham & Anwar 2019). In the case of locational platforms, what counts is the national labour force, but conditions of surplus labour have been created in high-income countries as well through the process of production in global value chains.

However, the platforms do not just use existing surplus labour conditions but also create workforces that have to depend on them for employment. Workers are attracted to the platforms as they are able to access a much larger volume of customers than they would otherwise. In addition, however, the platforms also use tactics to attract and then keep the workforce captive. Gig drivers take loans to buy vehicles. Delivery workers also have to invest in motorcycles and, of course, smartphones. Beauty technicians have to buy bulk materials from the platform and also have a smartphone and independent transport. Hotel room providers have to invest in rooms of adequate quality. It is this outsourcing of the assets required to provide a service that makes Airbnb the largest provider of hotel rooms without owning any hotels. Traditional

GVC production created brands without factories; the platforms have created service providers without any of the assets that are required to provide the service.

The workers must remain in the service in order to meet repayment requirements. Thus, along with outsourcing the investment in assets and associated risk, the platforms also create a captive workforce. Initially, the platforms attract workers by offering higher returns but reduce these as the number of workers grows. This surplus workforce weakens the drivers and strengthens the platforms on which they depend to get work. This allows the platforms the power to increase their own share of earnings, literally increasing their own commissions at will, though within limits. When the then CEO of Uber was asked why commissions were being increased from 25 to 30%, his reply was, 'Because I can' (quoted in Woodcok and Graham, 2020). This simple statement is indicative of the enormous monopsony market power of platforms vis-à-vis their workers.

In India, the taxi platforms initially charged relatively small commissions of 8%. However, as the customer and driver base both got established, the platform commissions were increased to 15% and then 25%. Similarly, for delivery workers, the rates were reduced from Rs. 60 per delivery about four to five years ago to Rs. 15 or even Rs. 12 per delivery now (Ghosh et al. 2021, 29). As they need to meet monthly repayment requirements on work assets, the gig drivers cannot just leave platform employment, even when rates fall. Having a larger workforce than that required by the current volume of business is a way of utilising this surplus labour to keep driver earnings low, while increasing platform earnings.

5. Value capture and value creation

The next step in understanding the nature of platforms is to make a distinction between value creation and value capture. The neoclassical theory of market-based distribution of value within a production system or a value chain would hold that whatever the value acquired in a particular production node is the value created in that node. This justifies the actual market distribution of income in a production system. Wages earned by gig workers are then the contribution of gig workers, while profits earned by platforms supposedly measure the value of platforms' contributions to the economy. On the other hand, as is quite common in global value chain (GVC) analysis (e.g. Nathan, 2020, Nathan et al. 2022), there is a distinction between value creation and value capture. In contrast to neoclassical analysis, this more classical analysis argues that in a product with many inputs, the final output is the result of the contributions of all inputs, as one cannot separately attribute so-called marginal products to different inputs. How the value created is distributed between different nodes is a matter of the power relations between actors in these nodes – say, brands and suppliers or platforms and workers.

In GVC analysis, the central power holder is understood to be brands, which carry out the design, and brand and market the product – largely pre- and post-production activities, as argued in Gereffi (2016), Durand and Milberg (2019), Kaplinsky (2019), and Nathan (2020). They are able to utilise their IPR-protected products and their corresponding monopsonies in input markets (as seen with garment manufacturing suppliers) to capture surplus profit or rent, while manufacturers may get only competitive profits, while both labour power and environmental services may be purchased at prices below their respective costs of production. Consequently, the brands also become global monopsonies, with a few buyers facing myriad suppliers who compete among themselves (Kumar 2020, Nathan 2020, Nathan et al. 2022).

This structure of the GVC, with its brand-led monopoly-cum-monopsony structure, is being disrupted by e-commerce platforms. As pointed out by Tom Goodwin, in contemporary business, the interface layer with the customer is where the money is (2015). We would modify

this statement to mean that the interface is where value is currently being captured. 'These companies are indescribably thin layers that sit on top of vast supply systems (where the costs are) and interface with a huge number of people (where the money is)' (Goodwin 2015, 2).

The platform, which is the interface with the consumer, retains the methods of extracting, analysing and using data. The interface containing the behavioural data of consumers, collated across multiple domains, has been called 'surveillance capitalism' by Shoshana Zuboff (2019). It is this data monopoly that allows platforms to capture a substantial share of profits in the overall production and sales system.

This data monopoly is even changing the balance of power between platforms and brands. As the share of e-commerce in retail grows, brands are having to submit to platform requirements such as packaging, not for the shop floor, but for convenience in the massive e-commerce warehouses – or acceding to platform demands for discounts in flash sales as the platforms compete for market share. More recently, with e-commerce platform advertisements in India at least, offering a bouquet of brands for athletic shoes or fashion garments, for example, rather than individual brands, there is a clear trend that online retail will go the way of wine retail; where, instead of retail shops of individual wines, wine retailing puts together different brands at specific price points. Will high-fashion garments also be sold as a bouquet offering a choice between Gucci, Prada, Luis Vuitton, and so on? That might just happen if, as is happening, e-commerce sales overtake sales in boutique shops and brands come to rely more and more on platform sales.

What this shows is the need to make a clear distinction between value creation and value capture. Value capture used to be the prerogative of brands, but now e-commerce platforms, with their control of the consumer interface, have been taking a share of profits – a share that could grow as e-commerce grows.

6. Techno-nationalism

When we look at e-commerce in India, there are two well-established firms in the market, Amazon and WalMart/Flipkart, and two upcoming firms, Reliance-Jio and Tata Digital. Of course, there are a lot of smaller, specialist players, such as Myntra in fashion, BigBasket in groceries, each with multiple billion-dollar valuations, which have been bought up by aspiring mega e-retailers. In these struggles for dominance in the platform spheres, the big players headquartered in India or China have received support, directly and indirectly, from their respective states. For instance, when Uber sold out to the Chinese taxi service, Didi Chuxing, the sale was reported to be orchestrated by the Chinese government (Jannace and Tiffany 2019).

This has been objected to as techno-nationalism and the movement from a rule of law to one of rulers (Jannace and Tiffany 2019). Of course, the law here is TRIPS, which is part of the WTO articles. Techno-nationalism is defined as 'government action in support of high-tech industries' (Ostry and Nelson 1995, 61). This, as Sylvia Ostry and Richard Nelson point out, is not something new. The US state has played a role in the rise of American technological leadership, as shown in detail by Marianna Mazzucato (2011) and continues to be part of American policy (Ostry and Nelson 1995). Even the EU's 'Europe First Policy' (Ernst 2012) is a form of techno-nationalism, where the relevant geography has been extended from relatively small European nations to the European Union in order to be able to utilise economies of scale, which are important in platform economics.

Techno-nationalism has been part of development policy for late-comers, while the tech leaders have tried to stop this through market fundamentalism and the abandonment of nation-based technology policy, which Ha-Joon Chang picturesquely characterised as 'Kicking Away

the Ladder', after having ascended it (Chang 2002). For instance, the United States did not enforce British or German patents or copyright in the 19th century (Brander, Cui and Vertinsky 2017). Such non-acceptance of patents is no longer possible as acceptance of IPR protection under TRIPS is a condition of being a member of the WTO. However, states have continued to find ways around TRIPS regulations.

China has erected substantial barriers to non-Chinese platforms in digital international trade. The story of keeping Google or Amazon out of China so that Baidu (a search engine) and Alibaba (an e-commerce portal) could develop is well-known. However, it is not just China that is taking such nationalist actions. The United States, the EU, and China have all taken steps leading to the evolution of 'separate and not entirely compatible' digital regimes (Manning 2019, 4). Now, not just India and Russia but Vietnam and Indonesia are also following suit to build their own digital regimes.

India, for instance, is formulating rules that would support Indian platforms. The new (still in draft form) rules require online platforms, whether in e-commerce, travel, hotels or any other services, to give an Indian alternative for every transaction. The rules also ban flash sales by e-commerce platforms. This would affect both Amazon and WalMart/Flipkart, which have built business models dependent on flash sales. Rules of access to social media platforms have been framed in a manner that would enable the Indian state to acquire access to any required information about the origins of messages, affecting WhatsApp, which depends on the privacy of its end-to-end encryption. Data localisation is another policy that favours national over international platforms. Many of these restrictions are couched in terms of national security, bringing about a marriage between national security and national business strategy.

There are two points about techno-nationalism. First, it is an inevitable part of development policy, as late-comers try to catch up with tech leaders. Such catching-up cannot be done or even attempted without a close relation between development and technology policy. Secondly, however, is that in a capitalist world economy, such catching-up is only a prelude to expansionism. Capital will seek to expand and necessarily move beyond national borders.

Therefore, after having secured its own national technological platforms, China is now attempting to expand its role and influence in the world economy. Its own digital technology leadership in 5G mobile technology is now being used to build what the Chinese call the Digital Silk Road. India has also begun to move on the road of digital tech-nationalism. Government actions against Twitter have supported the incubation of the Indian start-up, Koo, as a counter to Twitter. Of course, Koo is still tiny in comparison to Twitter, but having established a foothold in India, Koo is attempting to expand into Africa, where the Nigerian government has banned Twitter, which had taken action against their President's account. Ola, the Indian taxi platform, and OYO, the Indian hotel platform, have both expanded into other countries. Therefore, they have become regional firms. If not global ones.

With the disruption caused by the ongoing global recession, the various world powers and their platforms are both trying to create regional groupings that they can expect to dominate. In this development, it is not possible to draw a Chinese wall to separate nationalism and expansionism. In a capitalist system, it is virtually inevitable that expansionism would follow successful tech nationalism, particularly when hyper enterprises are created.

7. A permissive regulatory environment

Creating an army of gig workers with little or no protection of labour laws, however, requires not just a platform and a large reserve army of labour, but also a permissive regulatory environment with regard to labour standards. Overall, there is a withdrawal of the Indian state from

regulating the working conditions of gig workers. Gig workers are included as workers in the Social Security Code and minimum wages in the Wage Code apply to all who receive wages, but they are not included in the Industrial Disputes Codes. This is a crucial omission, as it means gig workers are not able to utilise the mechanism of labour courts for redressal of their grievances.

Furthermore, while the central government has formulated rules requiring social media platforms to have India-based grievance officers, similar provisions have not been made regarding the employment-providing platforms, such as taxi or domestic services. Techno-nationalism works to prepare rules which would support India-based platforms, but not rules that would benefit platform workers. Of the locational platforms, only Urban Company has provided a mechanism for redressal of grievances (Fairwork 2020). The non-application of already weak regulatory mechanisms allows for the growth of a gig workforce that does not secure decent work standards.

8. Gig workers in India

Gig workers can be identified quite clearly – they are those who are remunerated for work on the basis of a piece-rate for the task performed. For instance, many domestic workers are paid for the tasks they perform, say, cooking or cleaning. This is an old form of what is now called gig work. The distinguishing feature of what is now called gig work is that the workers, be they drivers or goods deliverers, secure their work through a platform that provides consumers a ride-share, domestic service, digital microtasking or other services. The digital-based task work is then identified as the gig work. While noting that there is offline gig work, we will restrict our use of the term gig work to that which is based on digital platforms. The gig economy Is that of the services provided by gig workers. The gig economy of taxi services, for instance, would be the value of the total revenue earned by the platforms in providing these services plus the income earned by its gig drivers.

When we look beyond platforms that provide labour services of various kinds to those where gig work is part of a broader service, then estimating the gig economy becomes more complicated. For instance, delivery workers for e-commerce platforms are gig workers. In which case, the revenue earned by Amazon, Flipkart. and Reliance-Jio from their retail services would be part of the gig economy. However, it would seem that estimates of e-commerce services are excluded in estimates of the gig economy. When the BCG (Boston Consulting Group) estimates that the volume of work in the gig economy in India can be $250 billion, it seems to be taking into account just the total amount paid for gig work, and that is then taken as the size of the gig economy. This is the market-based way of estimating the gig economy, where it is assumed that the wage paid to the gig workers is their contribution to the economy. We do not utilise this market method of estimating the gig economy, which does not take into account the fact that the value of a platform is jointly produced by those who operate the platform and also by those who provide the gig work that provides the service. The value of Airbnb, for instance, is produced not just by those who own and operate its platform but also by all those who provide the hotel service, which is the product Airbnb sells. The Airbnb gig economy would then be the value of the services paid for to its hotel-room providers and the earnings of the platform itself, and not just the former. So we do not use the supposed calculations of the value of the gig economy and confine our analysis to that of gig workers along with estimates of their numbers and earnings without calling that the gig economy.

The number of gig workers is estimated to be higher in developing economies, where they constitute 5 to 12% of the non-agricultural workforce, compared to developed economies,

where they are between 1 and 4% of the workforce (Boston Consulting Group 2021). In India, the number of gig workers was estimated at 8 million in 2020 and is expected to go up to 24 million over the next 3–4 years. A PayPal report pointed out that gig workers had increased in 2018–2019 by 1.3 million workers, an increase of 30% over the previous year. A TeamLease study (2019) before the pandemic-induced recession estimated that 2 million jobs would be created in India's metropolitan cities; and that 1.4 million of these jobs would be of gig work over two years in food delivery, e-commerce, and other delivery services. These estimates, many of which are from before the ongoing pandemic-induced recession, show that a large part of the growth in jobs in urban centres would be in gig work. With the recession, it is estimated that in one year there has been as much expansion of gig work as was earlier expected to be brought about in ten years. The growing sectors with gig workers are expected to be construction, manufacturing, transportation and logistics, and personal services, requiring skilled, semi-skilled and low-skilled workers (Boston Consulting Group 2021).

Gig workers are mainly involved in two types of platform-based work. One is that with online web-based platforms and the other is that in location-based platforms. A new form of platform-based gig work is that of educational instruction. While school and college education has gone online to a major extent, there has also been a transformation of tutoring. This used to be done in person, either with individual students or in groups. Much of this tutoring has gone online, with teachers being paid for the video recorded or live classes that they conduct through specialised teaching platforms. Some of these educational platforms in India have now got valuations in excess of $10 billion, or, to use a current term, they have become unicorns. The most famous educational platform in India is Byju's, currently the sponsor of the Indian cricket team. Some of this online education is also international, such as that of the Khan Academy, based in California, carrying out online education around the world.

9. The context: an economy of largely informal employment

Before proceeding, a point needs to be made about the method of evaluating gig work. It is common in analysis of gig work to point out that it involves 'non-standard' employment (NCEUS 2007). Standard employment is taken to refer to employment that is of a permanent nature and comes along with various employer-contributed social security schemes, such as an employees' provident fund (EPF) and medical care through the Employees' State Insurance Scheme (ESIS). Such standard employment has long been the norm in developed countries, though that picture is rapidly changing with the growth of what Guy Standing calls the precariat (2011). However, in India and many other developing countries, more than 90% of employment is of the non-standard variety in the unorganised or informal sector (NCEUS 2007). Thus, in seeing whether gig work is beneficial or not, we need to compare gig work with its next best alternative, which, in India, as in other developing countries, is informal employment in the unorganised sector.

However, along with a comparison with the available alternatives, one also needs to compare gig work with the decent work standard. This two-pronged approach is also taken by D'Cruz and Noronha (2017). The first comparison with existing alternatives will tell us why gig work is playing an increasingly important role in developing countries, while the second type of comparison (with decent work standards) will tell us what still needs to be achieved in order to advance to the gold standard of decent work. In looking at living wages as part of decent work, the wage needs to be adjusted for the higher educational level of gig workers compared to those in informal employment or in labour-intensive industries. Gig workers, even those providing delivery work, need to be able to operate smartphones and understand GPS maps. They usually tend to have completed high school (Noronha 2017). They also invest in assets required for performing

the service. All this would require that wages be somewhat higher than for those in low-skill, labour-intensive employment, as in garment and shoe factories.

10. Decent work and gig work

The Fair Work project used five metrics to assess the quality of gig work on digital platforms. These are (1) *fair pay*: workers should earn a decent income; (2) *fair conditions*: platforms should have policies in place to protect workers from risks arising from work processes, and they should protect and promote the health and safety of workers; (3) *fair contracts*: terms and conditions should be transparent and provided to workers in an accessible form; (4) *fair management*: the use of algorithms must be transparent and result in fair outcomes for workers, and that workers must have a clear channel of communication to appeal against management decisions or deactivation; and (5) *fair representation*: workers should have the right to organise in collective bodies, and that platforms should cooperate and negotiate with them (Fairwork 2020).

Using this metric to evaluate 11 digital platforms in India and South Africa, only two Indian firms (Urban Company and Flipkart) scored more than 5 points (out of a maximum of 10), while seven scored only 2 points or less. India's four largest platforms – Uber, Ola, Swiggy, and Zomato – were at the bottom of the rankings.

> Urban Company is an at-home service provider platform with its headquarters in Gurgaon in India. Using its app and website, the company connects its customers to the providers of various services, such as beauty, deep cleaning and maintenance work. Most workers follow a 48-hour working week and appear to earn above the local minimum wage after factoring in costs. To ensure proper-quality provisions, beauty workers are mandated to buy their equipment and products from the platform. Some innovative features include: (1) company workers participate in 10-day training sessions and are evaluated at the end of the period. In February 2020, 70% of Urban Company's workers had received certification for this training; (2) the company tries to ensure workers' comfort and safety in various ways – for example, by providing them with lightweight massage tables which the workers would find easy to transport to customer locations; (3) workers are provided with oral explanations of their contracts, and now they are provided with written contracts in their local languages – also, Urban Company has clear communication channels to redress workers' grievances and a no-discrimination clause in its customers' terms of use; (4) the company has a system of regular Focused Group Discussions (FGDs) between the management and small groups of workers to discuss collective grievances (Fairwork Ratings 2020). It should also be pointed out that in 2022, some workers have filed a case against the Urban Company with regard to working conditions.

We will look in more detail at different aspects of gig employment in India, starting with earnings, then protection of workers, transparency of contracts and firm platform operations, and the right to organise collectives of workers.

11. Earnings

We look at the earnings of gig workers separately in the two types of platforms, online web-based and location-based platforms.

11.1 Earnings of online web-based workers

Digital platforms have become a new form of software and business process outsourcing. The platforms range from low-level microtask platforms such as Amazon's Mechanical Turk (AMT) to high-end super-specialised sites such as Innocentive. They also include many intermediate skilled, professional workplaces, such as Upwork and Elance-oDesk, or many Indian digital platforms, such as worknhire.com, freelance.in, freelanderindia.in, wsession.com, and creative-freelancers.com. The customers for these digitised services are mainly from the Global North, with the United States and EU accounting for 75% of the total, while the crowdworkers are largely (66%) from the Global South, with India and Bangladesh accounting for more than 40% of the total (Woodcock and Graham 2020, 55). These professional workplaces based in India each have from 40,000 to 120,000 crowdworkers (D'Cruz and Noronha 2016). The crowdworkers include both freelancers carrying out whole jobs and those carrying out microtasks.

The earnings of online crowdworkers are much lower – about 60% less than those in the offline labour market (Rani 2021, 20). Payment for just the time spent on the task, as occurs in online labour markets, is obviously much cheaper than paying a full wage for the time spent in the office. However, the earnings of the freelancers, from INR 40,000 to 120,000 per month (or about USD 600 to 1,700 per month), are, as D'Cruz (2017), sufficient for a decent living.

Along with reasonable incomes, there seem to be benefits when compared to similar gig work in local markets in India. The benefits were summarised (D'Cruz and Noronha 2016) as multiple gains, such as employment opportunities and certainty of payment, compared to local labour markets, where there were risks of non-payment. Online labour markets have a third-party escrow payment system, where clients deposit the contracted amount before the work begins. This helps to take care of non-payment – which, however, might still occur if crowdworkers get tricked into doing the work offline.

The Elance-oDesk online labour market studied by D'Cruz and Noronha (2016) had two very positive features. There is a minimum fee of $3 per hour and $30 for a task. This is much less than the minimum wage in the United States but amounts to a substantial income in India or Bangladesh. Of course, this minimum rate, which is much lower than the US minimum wage, gave rise to conflicts between workers from the North and South, with charges that the latter were undercutting workers from the former group of countries. This is the nature of labour arbitrage, which is a well-known factor in GVCs.

11.2 Earnings from locational platforms

The majority of gig jobs in India are in transportation and logistics and personal services, including domestic and beauty services. However, it is expected that gig jobs will grow in construction and manufacturing (Boston Consulting Group 2021). The pandemic-related lockdowns and restrictions, such as on in-restaurant dining and the need for home delivery of goods, have led to an exponential growth in transport and logistics services.

A study of the earnings of 770 drivers, delivery workers, and housecleaners using digital platforms give an average income of INR 25,000 (USD 357) before the recession (Boston Consulting Group 2021). This figure is 10% above the living wage of INR 22,000 gig workers as calculated by the Asia Floor Wage Alliance (Asia Floor Wage Alliance 2021). During the recession, these workers lost substantial income and were down to about INR 5,000 (about USD 75) per month. A qualitative study of women gig workers in the cities of three metropolitan cities – Mumbai, Delhi, and Bangalore – in domestic service, beauty, taxi rides, and food delivery gave the following figures – a freelance beauty worker earns INR 30,000–40,000 (USD 428 to 570 per month), about twice that of

a salaried worker, while a taxi driver earned from INR 15,000–20,000 (USD 214 to 285) per month, slightly more than that the wages of salaried cab drivers (Ghosh et al. 2021, 30–31).

While all these earnings are either around the living wage or higher than that of regular, salaried workers, we cannot take the amount as net earnings. There are expenses incurred in purchasing assets, such as taxis, motorcycles, and smartphones, in addition to consumables, as in the case of beauty workers. All these expenses would have to be deduced pro rata in order to arrive at net earnings, which are likely to be less than the living wage. However, overall, these would tend to be on the higher side of workers in informal work and even in formal work in labour-intensive industries. For instance, the wages of workers in garment export factories are (with overtime) around INR 15,000 (USD 214) per month. At the lower end, gig work seems to offer something more than labour-intensive manufacturing employment, even when adjusted for the repayment costs of equipment purchased to do the work.

12. Protection

Workers should have a mechanism or process to take up complaints against mistreatment, whether by platform employees or by customers. In the online web-based platforms, Elance-oDesk has a grievance redressal mechanism, dealing not just with payment disputes but also matters like online gendered and racialised bullying. Online bullying inevitably leaves digital traces. When the platform is willing to take up complaints, there can be redressal of workplace bullying. Some of the locational platforms, Urban Company and MyMaid.com, also provide some mechanism for redressal of grievances. However, these processes are partly circumscribed by the pressure on crowdworkers to secure good reviews. This platform has two-sided reviews of both workers and customers. But there is the fear that even a couple of negative reviews could lead to workers being removed from the site. Hence, digital transparency might reduce but not eliminate the power imbalance between clients and workers. The monopsony market with many sellers of labour power is weighted in favour of the buyers of the service, particularly when they are mediated by platforms.

13. Contract transparency and payments

Payments in the platform-based enterprises are formalised. Payments to the platforms are made through digital payments systems, credit cards or bank transfers. The amounts that workers will receive are also relatively clear. In online web-based platforms payments, the contracted amounts are transferred into an escrow account. This provides a check against non-payment, which can occur in the local market (D'Cruz and Noronha, 2016). This formalisation of the payments systems is a clear benefit of the platform economy.

However, contracts between platforms and workers are themselves not necessarily transparent. Some platforms do not provide workers contracts in a language they know. This lack of contract transparency is a matter that can be easily dealt with and involves just the expenditure of translation into the various languages of the areas of operation.

13.1 Transparency of platform management

If there is a problem with not making contracts available in the worker's language, a bigger issue of transparency is with regard to the platform itself. It is something mystified and even alienating. The worker's connection with the platform company is via a smartphone. The disembodied and thus alienating of this connection is something mentioned by gig workers as a source

of tension because of the unknowns in the relationship. Most platforms do not do anything to establish any kind of human-faced contact with their workers.

The decentralised workplace, including work from home in the case of online web-based work and street-based work in product delivery, is something very different from the factory or industrial centre. The implications of this form of outsourced, decentralised working have yet to be understood in terms of its implications for workers and their families.

Along with coming to grips with and overcoming the isolation of decentralised work, there is the frightening aura of the impersonal platform. Not only is contact only digital, but the manner in which payments are calculated, the methods of calculating ratings, and the surveillance by platforms are such that it creates a mystified system leading to anxiety, as has been mentioned by some gig workers. Of course, over time, the workers learn to decode these mysteries and then develop the ability to game the system. However, there is a clear need to demystify the working of platforms and develop human interaction at different levels. It would seem that NGO-based and cooperatively owned platforms are able to handle these issues much better and make platform work less mysterious and more human-faced.

14. Isolation and social dialogue

Gig workers carry out their work alone, either from home, on the street, or in customers' homes. There is no shop floor or office with a water cooler for workers to casually interact with each other. While Marx referred to the alienation of the worker from the product of their labour, in the platform economy, there is an alienation from the social process of labour by the fact of isolation. Platforms may not like their workers to overcome this isolation since that could result in an increase in their associational power. However, there are platforms, such as Urban Company, that arrange for their workers to gather in groups for discussions with management.

Despite isolated work locations, there have been informal forms of organisation and even strikes by gig workers on location-based platforms (Woodcock and Graham 2020). WhatsApp groups have been formed by workers who congregate in certain spots in the course of the day's work. Though work makes workers isolated and even hidden from each other (Irani and Silberman 2013), the nature of their work leads to them congregating in certain places. For instance, areas with IT offices where a lot of gig taxis are utilised become a congregating point for taxi drivers. At present, gig workers' unions are mainly in the driver and delivery workers sections. Women, however, are reported to be staying away from such unions (Ghosh et al. 2021).

Despite their individualised design, platforms cannot prevent such congregations and the formation of informal associations of workers. Social media communication, such as those using Facebook and WhatsApp, is used to promote the formation of such associations.

15. Social discrimination

Platform-based services should be free of discrimination against minorities and those from the so-called low or former untouchable castes (Dalits). However, discrimination has been built into some platforms, which allow customers to filter service agents by community and caste (Ghosh et al. 2021). This allows customers to choose the community or caste from which they would select, say, a domestic worker. There was a famous example of a customer refusing a delivery by a Muslim worker. In this case, however, the food delivery platform stood by the Muslim worker and blacklisted the customer. But some domestic service platforms allow such filtering by religion and caste, perpetuating discrimination in the digital space.

16. Gender issues

A feature of online platform gig work is that there is a substantial presence of women, 40%, as against just 10% in location-based gig work (D'Cruz and Noronha 2016). Online gig work is clearly favoured by women with household responsibilities. '[W]omen with childcare responsibilities engaged with the platform as their sole source of livelihood and career development and put in at least 25 to 30 hours of work per week' (D'Cruz and Noronha 2016, 49).

There are two major problems that have had a negative impact on women's participation in the labour force in India. These are the absence of non-household child care facilities – whether employer- or state-provided – and safety problems in transportation to and from work (Patel 2010). Working from home through online platforms enables women to deal with these two constraints, though the constraints themselves may not be transformed. Online platforms allow women with family responsibilities to continue working and even advance professionally, as they can build reputations as freelancers. Similarly, without making public spaces and transport safer for women, online platforms enable women to continue earning an income using their professional qualifications. Furthermore, some women gig workers did report an increase in agency and a higher status in the family, even leading to some men sharing some of the burdens of domestic work (IWWAGE 2020). Those who earned more than their spouses or were the breadwinners for the family 'felt empowered and commanded more respect within the family' (IWWAGE 2020, 4).

However, there are serious issues of women's oppression that are related to women's gig work. In India's notoriously deficient public toilet facilities, women are particular sufferers. Even when they work in customers' homes, they are often denied the use of these facilities. There is also the ever-present danger of sexual harassment, whether of domestic workers or beauty workers, as they work in their customers' homes. The matter of protection from sexual harassment is something that is apparently not taken up by platforms, according to women who have raised these issues (Ghosh et al. 2021), but studies report that NGOs or cooperatively owned platforms do better in this respect than the larger platforms.

Platforms continue discrimination against women in skill-related matters. In the Indian labour system, domestic work is classified as unskilled work. While platforms do not use such a classification, they only assign women for manual labour tasks in domestic work. Tasks that involve the use of equipment, such as deep cleaning, are not assigned to women.

17. Gig payments

Digital platforms, whether for domestic work or other services, can be required to follow the law in terms of minimum wages, etc. Indian law requires piece-rate wages to be such that a minimum wage can be earned in an eight-hour working day. This would be somewhat tricky in the case of gig workers, where there is the travel time from one site to another, or waiting time, in the case of taxi drivers, that has to be taken into account. This is a problem that needs to be taken into consideration while setting minimum rates for gig work. The base of this problem is that gig work pays just for the time spent in providing the contracted service. Search time or waiting time are not taken into account. In addition, all the risks of variable demand are borne by workers.

Furthermore, in the case of taxi drivers and even delivery executives, there is the matter of compensation for the equipment in which they have to invest. In the present organisation of the gig economy, the costs and risks of the infrastructure of vehicles or hotel rooms are passed on to workers. On top of wages for labour time, the compensation for equipment has to be brought into gig calculations – if gig payments are to have some modicum of fairness. Only by bringing the bloated profits of the platforms into the valuation of the gig economy would it be possible to

work out a method of remuneration that takes into consideration not just labour time spent in gig work but all other relevant costs, including that of required infrastructure. In a cooperatively owned platform, there could be a combination of gig payments along with a sharing of profits that are not reinvested.

At an analytical level, too, it is necessary to come to grips with the new kind of worker. Classically, the worker is one who does not own the means of production and, thus, seeks employment in order to be able to work. But the gig workers own the means of production, whether it is a taxi car, delivery motorcycle or hotel room. Despite owning the means of the production, their interface with customers is through the platform. They sell their labour power with complementary means of production to the platform, which, in turn, sells the product of their labour and equipment, whether it is a taxi ride or a delivery service, to the customer, giving the worker a wage or earnings. This is a new kind of worker, similar to a farmer or self-employed worker in owning the means of production, but different in not selling the product on the market but on contract to the platform. In a sense, the gig worker is like contract farmers, who produce and sell their output to the contracting corporation.

17.1 Social Security

The Indian government has taken a step forward by including gig workers in the Code on Social Security 2020, passed by the Indian parliament in 2020. The Code indicates that such workers, who are not always identified as employees, may be provided with certain social security benefits as determined by the central government. These may include 'life and disability cover, accident insurance, health and maternity benefits, old age protection, crèche and childcare services, and other benefits'. The extension of the safety net to gig economy workers was welcomed by many companies.

The Social Security Code enables the creation of a National Social Security Board, which will take on the responsibility of formulating suitable schemes for gig workers and platform workers. It directs platform companies, including e-commerce companies, to allocate 1–2% of their gross annual turnover to the social security coverage of their employees in the form of provident funds, life insurance, gratuities, and so on.

17.2 Regulation

We noted the existence of a permissive regulatory regime in India and the denial to gig workers of the use of labour courts and related state systems for redressal of grievances against platforms. As in the case of other countries, it is necessary to go beyond the market-fundamentalist approach to regulation, which would effectively justify wage outcomes as arrived at between the monopsonist platforms and their millions of workers.

A strengthening of the national regulatory mechanism is needed for locational platforms, such as for taxis or other location-based services, that have local presence businesses in each country. However, this will not work for digital online platforms, whose headquarters may be in one country, clients in another country in the Global North, and crowdworkers in a third country in the Global South. An international regulatory mechanism will have to work out for such online platforms for digital work. There is an extant international regulatory mechanism for the shipping industry. The ILO's Maritime Labour Convention (MLC) of 2006 sets three-tiered labour and environmental standards for the shipping industry. Wages are set separately for (in a broad sense) high-income, medium-income, and low-income countries. Unlike other ILO conventions, the MLC also has an implementation mechanism. National port authorities in every country are authorised to inspect and take action in case of violations of labour and

environmental standards. A similar international convention with tiered wage rates and redressal mechanisms needs to be fashioned for online digital platforms.

17.3 Alternative platforms

The dominant model is that of the platform as a corporate firm. However, there are some examples of alternative types of models. There are platforms run by NGOs, and there are cooperatively owned platforms, such as those run by SEWA, the major union of women workers in the unorganised sector in India. There is also MyMaid.com, where domestic workers are also part-owners of the platform. Studies have shown that they perform better in dealing with women's safety and gender-based violence issues (Ghosh et al. 2021). They can also build profit-sharing systems. The Government of India, with Nandan Nilekani who fashioned India's biometric identification system, is reported to be developing an open access e-commerce platform as a public good, which will eliminate the high fees now charged by platform owners.

18. Conclusion

In this chapter, we saw that the platform economy is a form of monopsony capitalism, with very large numbers of workers working for individual platforms. While evaluating the platform economy, it is necessary to consider both platform revenues and gig workers' earnings as components of the platform economy. In growing platform economies, there is a strong tendency for techno-nationalist policies, signalling a link with the struggles between the new hyper-enterprises, which often enjoy state support. Techno-nationalism has gone along with a permissive regulatory environment for labour, allowing platforms for captive workforces, which are larger than even those of large conglomerates. This has resulted in the generalisation of gig work.

In coming to terms with gig work, it is necessary to consider both the likely advances over other informal employment and the decent work deficits. Gig work involving the use of smartphones and GPS systems requires workers to be digitally literate and to have at least completed their high school education. This itself is likely to push gig wages above those for low-skilled work in labour-intensive industries, such as garment and shoe manufacturers. In India, gig work with locational platforms, providing services such as the delivery of goods and taxi and beauty services, has substantially resulted in earnings above minimum wages and even more than what can be earned through regular work in labour-intensive industries. But after subtracting equipment costs, they might fall below the living wage standard. In digital work on platforms, earnings are lower than those in digital workers' regular employment; but they are high enough to provide a reasonable living.

With respect to conditions of work, we have not dealt with familiar issues such as the tendency to overwork, pushed by the incentive-punishment systems. On the whole, women workers have benefitted from being able to negotiate childcare responsibilities and overcoming travel risks. However, there are very few platforms that deal with sexual harassment. Women are also discriminated against while training to use equipment in domestic services.

The management conditions are entirely non-transparent. Workers often don't have contracts in a language they understand, and the methods of ratings often remain very opaque. The individualisation of gig work leads to extreme isolation at work. Their rights to a collective organisation and access to forums for redressal are both circumscribed in the law. Despite such difficulties, various types of organisations and workers have also learned to game the system in the manner of the 'weapons of the weak' (James Scott 1985).

While digital online platforms fall in the unregulated transnational space, locational platforms fall within national bounds in terms of providing services. Overall, there is a need to institute methods of public regulation of the working conditions of gig workers in platform economies.

At an ontological level, the gig worker is a new kind of worker, one who owns the means of production and yet sells not the product of labour but labour power. It is necessary to go into the implications of this kind of worker for their relations to the platforms through which they seek work.

Notes

1 In Dev Nathan (2020), the term *oligopsony*, with few buyers, is used. This is technically correct, but the term is even more clumsy than *monopsony*. Thus, it is better to use the term *monopsony* and understand it as degrees of monopsony or oligopsony.
2 www.fincash.com/l/brand/tata-group.

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27
THE GIG ECONOMY IN CHINA

Zhun Xu

1. Introduction

This chapter reviews the development of the gig economy in China over the last few decades. China's gig economy started with market reforms in the 1980s. The government promoted 'individual employment', or *getihu*, in the urban economy and small family plots and businesses in the countryside. The basis of the gig economy that we speak of today was largely formed in the early 2000s. The laid-off urban workers and the influx of rural migrant workers constituted the large reserve army, which contributed to the rise of the platform economy later when capital accumulation slowed down in the 2010s. Recently there have been some efforts from the government to regulate the gig economy, but these moderate reforms are not yet able to address the fundamental problems of the gig economy.

In early 2021, an online video went viral on the Chinese internet. In the video, an official from the Labour Department in Beijing worked as a food delivery worker for one day.[1] Controlled by a relentless platform phone application, the official only managed to make 41 yuan (about 6 USD) in his 12 hours of work and lamented it was so hard to make money in this job. The popularity of such a video suggests that such sentiments were relatable to the Chinese public, especially those workers in the gig economy.

An increasingly visible part of the gig economy is based on digital platforms such as online order delivery and ride-hailing. According to the Chinese Ministry of Human Resources and Social Security, about 200 million workers were employed in the gig economy by 2020.[2] Many of them were affiliated with a few monopoly firms, for example, in 2020, Meituan, a major shopping platform, employed 4.7 million delivery workers while a total of 10 million delivery workers registered at this platform.[3] In the same year, another leading hail-ride firm, Didi Chuxing, employed about 7.6 million workers.[4]

The repressive nature of these platforms is now well known. Companies like Meituan increase their 'efficiency' by squeezing the delivery time window, which forces the workers to ride faster, violate traffic rules, and put themselves in constant danger.[5] According to a widely read report, in the city of Chengdu, in seven months in 2018, the delivery workers had about 10,000 violations of traffic laws, and 155 people were injured or died.[6] The mounting pressure of meeting the delivery time and receiving perfect customer reviews also increases the tension between delivery workers, sellers, and customers, resulting sometimes in deadly conflicts.

At the same time, like all other platform economies in the world, the big Chinese firms by default do not pay for any insurance or welfare for their millions of workers. By digital subcontracting, the delivery workers are considered to be contractors instead of employees. In 2020, when a delivery worker had a sudden cardiac death in the process of doing his 34th order of the day for a major platform Eleme, this online food delivery company stated that since the worker is not an employee, the company was only willing to pay 2,000 yuan (about 310 US dollars) as a

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courtesy offer.[7] It was the public rage following this that forced the company to eventually agree to pay 600,000 yuan as compensation. However, in general, work accidents are only covered by some worker-paid commercial insurance, and filing such claims tend to be so time-consuming that many workers decide to pay out of pocket instead.[8]

Scholars have been researching labour relations in the new gig economy. Sun (2019) details how the algorithms, although claimed to be impartial and value-free, took the control of time from the workers and prioritised the objectives of the companies and the needs of their customers. Qi and Li (2020) focus on the question of precarity using the case study of the ride-hailing service company Didi Chuxing and suggests that subordination of labour to capital is due to the company's monopoly control of market access and information, which itself comes from the huge early investment and subsidy from the big capital. Wu et al. (2019) summarise the three labour control strategies of Uber in China: incentive pay, customer evaluation, and flexible work arrangements. The first two are effective in increasing the efforts of workers who drive for Uber as their sole income source, while the last one is effective for those drivers with other incomes.

It was under this context that the platform workers have been trying to organise. As Chen (2018) documents in her nationwide survey (a sample of 8663 workers), the platform workers learn to adapt and fight the platforms using social media and mobile technology, and more than half of the respondents participated in strikes and 2% were strike organisers. The survey shows that workers frequently complain about company management and the government's inaction. A recent example is the delivery worker association (外送骑士联盟), a loose organisation with more than 10,000 members.[9] The founding member Chen Guojiang was arrested in February 2021 after he exposed the bonus scheme of a major platform Eleme. This however did not diminish the discontent and militancy of the workers. In March 2021, for example, some delivery workers in Guangdong Province had a strike to protest the decrease in delivery compensations.[10] In the same month, thousands of drivers for Didi Chuxing organised a strike after the company lowered drivers' share of revenues.[11] This is in line with the rising tide of struggles among skilled technical workers such as software engineers in recent years.

It is important to note that the gig economy is more than the online platform-related businesses. In this chapter, gig work refers to all the precarious, and often informal economic relationships in the market economy. The gig economy is not really new. Long before the rise of Meituan, Didi Chuxing, and the like, there was already a large informal economy in China (Huang 2009, Chen and Xu 2017). Millions of craftsmen, contractors, street vendors have been made up an important part of the Chinese economy. Yet the rise of the platforms has had two important achievements on a large scale that makes it distinct from the older gig economy. It pushed the process of informalisation to a new level and accelerated monopoly capital's control of skilled workers and contractors.

The government for a long time has been an active promoter of the gig economy. As discussed in the next sections, the development of the gig economy was a key component of the market reforms starting in the 1980s. Back then it served as a cheap incubator for new capitalist businesses and absorbed the unemployed and semi-unemployed to form the reserve army of labour in China. In the last decade, the Chinese government has been advocating the idea of 'internet plus(互联网加)' and 'grassroots startups(大众创业)', which encouraged the rise of the big platform companies. In the past two years, however, the government has taken a somewhat different stance. For example, the video mentioned at the beginning was part of the effort from the state to develop a less repressive labour relation in the platform economy. In July 2021, the Chinese central government issued a pro-labour policy document that regulates the labour intensity and payment of the platform workers and requires the companies to pay for social

security for at least part of their gig workers.[12] The ambiguity in the policies shows the lack of consensus among the elites on the current state of the gig economy and suggests some potentials for progressive reforms.

This chapter provides a historical review of the development of China's gig economy and the increasing presence of online platforms in recent years. The next section discusses the origin of the gig economy in China and the waves of development of the informal sector. The third section discusses the rise of the platforms and capital's strengthened control of labour. The fourth section concludes the chapter.

2. The origin of the Chinese gig economy

Before the market reforms in the 1980s, the Chinese labour force was mostly employed by public (state and collective-owned) enterprises. The central and local planning authorities gave directions to these enterprises regarding their output, price, and employment decisions. The income distribution was highly egalitarian and the workers and their families received generous welfare and benefits. Economically and politically speaking, socialist China had very limited space for a gig economy. In 1957, for example, there were about 1 million small craftsmen and small vendors in the 'individual employment' (or getihu,个体户) employment category in China, less than 1% of the entire labour force (China Statistical Yearbook 2000).[13]

A functioning market economy requires a sizeable reserve army of labour that serves as a reservoir to facilitate capital accumulation (Marx 1967, p. 592). Since socialism for the most time provides guaranteed jobs, the central political question for a market reform under socialism is how to create such a reserve army (Xu 2020). The development of the gig economy is an important part of the creation of such a reserve army in China.

When the reform began, the government started to encourage workers and particularly young people in the cities to start their small businesses outside the formal socialist economy. The government also provided preferential credit and tax policies towards these businesses. Many of these getihu businesses were successful economically, although they were not considered ideal jobs for the workers. Generally speaking, the workers in China at the time still preferred to work in the formal sector. Economically, the Chinese working class still had stable jobs and reasonable incomes and benefits, thus the lure of some extra income as a contractor was limited. Politically, the prospect of private business in China was still unclear at least to the general public (Shi 1992). After years of living under a non-for-profit socialist society, people had a natural disdain towards for-profit economic activities (Shi 1992). For example, young people often preferred to marry someone in a state-owned factory rather than some businessman in the gig economy, although the latter may have a much higher income (Li 2018). At the same time, even though the leadership was supportive, it still took years for the government to fully recognise the legitimacy of such private businesses. A natural obstacle was to reintroduce private ownership and capitalist exploitation to Chinese society. In the beginning, the government only cautiously justified the smaller private businesses by quoting from a casual example in Marx's Capital to argue that a private business with less than eight employees was not a capitalist firm.[14] Later, the government removed that limit and explicitly endorsed private businesses of all sizes.[15]

Nevertheless, with the strong support from the state, the gig economy expanded rapidly towards the end of the 1980s. Moreover, as Shi (1992) noted, as the market reform deepened, many government officials and social elites (and their families) openly started their private businesses and profited from their connections and access to the resources in the formal socialist sector. The widespread corruption, to a certain extent, reassured the political safety of the private

business and the gig economy, and it also opened up new industries and new opportunities for private businesses in general.

In the countryside, the story was similar and the government again played a vital role in promoting the development of small businesses. The former people's commune and the collectives were dismantled, creating millions of small family plots and businesses (Xu 2018). Many of the rural laborers migrated to cities and worked in the newly developed urban gig economy.

All of these factors contributed to the increasing numbers of getihu and the expanding gig economy in the 1980s. In 1978, there were only 0.15 million people in the 'individual employment' category, while by 1985 the number has increased to 4.5 million in the urban economy alone. This further rose to 21.1 million by the end of the 1980s when rural 'individual employment' was first included in the statistics (China Statistical Yearbook 2000). The overall size of the gig economy would be larger when we consider the workers in all sorts of small private enterprises and semi-privatised village and township enterprises.

Despite the rapid increase in size, the gig economy remained a modest element in China throughout the 1980s. Three points are worth mentioning here. First, the urban gig economy was still relatively small compared to the formal economy. In 1990, there were still 139 million workers employed by state and collective-owned urban enterprises, which constituted more than 83% of the urban employment. Among the urban labour force, individual employment was just 3.7%.[16] Second, since most urban people were still protected by the welfare and benefits guaranteed by the socialist economy, some of the negative aspects of the gig economy were buffered to a certain degree. For example, a self-employed worker may not have stable jobs and social security, but his/her family members probably still work in the formal sector and the family as a whole may be protected from the worst scenarios. Third, the decollectivised rural society was a major source of gig workers. As scholars have argued, the decollectivisation in the early 1980s destroyed the job opportunities and benefits available from the collectives and resulted in a large reserve army of labour (Patnaik and Natrajan 2000, Chen and Xu 2017). This would eventually become the largest migrant labour force in the urban economy.

The small gig economy embedded in a largely socialist economy seemed benign at this point. However, guided by neoliberal economic doctrines, the structural adjustment in China in the 1990s started to change the status of the gig economy profoundly. Between 1995 and 2002, the privatisation and market reform led to 45 million lay-offs in the state and collective-owned enterprises (Giles et al. 2005). The total number of jobs in the state and collective-owned enterprises together decreased from 144 million in 1995 to 61 million in 2018 (China Statistical Yearbook 2019). All these imply an explosive increase in the size of the gig economy. Instead of being a side dish like before, the gig economy became part of the main course. According to Chen and Xu (2017) and Xu (2020), the highly devastating privatisation and market reforms disciplined the workers and created a large urban reserve army. The expansion of the gig economy in the 1990s was the final decisive step in China's government-backed market transition.

Once the market transition was largely finished, and millions of families became entirely dependent on gig jobs, the once appealing features of the small business type gig economy quickly faded. There are at least two reasons behind this. First, the political benefits of developing a gig economy diminished after the market transition; thus, the government started to step back from previous generous promises. For a long time, the government, in de facto terms, tolerated the chaotic unregulated informal economy and pervasive tax evasions, among others. In the late 1990s, the Chinese state started to take a tougher stance and collect more taxes and fees with more direct regulations.[17] It was not uncommon to see violent confrontations between local law enforcement and the street vendors back then. Second, the increasingly fierce market competition constantly forces small businesses out of the market. At least from the 1990s, doing

small business was no longer failproof (Li 2018). There was the typical trend of polarisation among the small businesses: some made money and expanded while others went bankrupt. Third, small businesses, without government support, cannot compete with large domestic capital and multinational corporations.[18] The lack of technology, capital, and access to credit all made the gig economy a tough place to survive.[19] In sum, the prosperous gig economy in the transition phase seemed to be a unique phenomenon only possible with the majority of workers still in the socialist economy. Once the socialist base was gone, a mature market economy was relentless towards the gig workers and small businesses in general.

3. Monopoly capital and the new phase of the gig economy

The basis of the gig economy that we speak of today was largely formed in the early 2000s. Both the post-reform laid-off urban workers and the influx of rural migrant workers constituted the large reserve army which significantly weakened the power of the workers (Xu 2018). Chen and Xu (2017) show that the share of urban informal employment in total urban employment increased almost three-fold from 22% to 60% in about a decade starting from the year 1995.

From the early 2000s to the present, we can roughly divide the Chinese economic development into two phases. In the immediate aftermath of the structural adjustments, based on a weakened working-class and continued state intervention, China entered a period of rapid capital accumulation and economic growth from the early 2000s. The sustained growth led to several changes in the gig economy and capital-labour relations in general. The informal economy started to shrink and more gig workers were absorbed by the formal sector. According to Chen and Xu (2017), the share of the informal economy in total urban employment reached its peak in 2008 (over 60%) and steadily declined to 54% in 2014. The average nominal wage kept growing and after 2008 the wages grew faster than the national income, increasing the labour share of national income. For example, between 2010 and 2015, average urban formal wages increased by 11% annually, while GDP only grew at about 8% at the same time (Chen and Xu 2017). Relatedly, workers became more militant and there was a clear increase in the number and scale of strikes nationally (Xu and Chen 2019). The Chinese government also encouraged collective bargaining and experimented with working with labour NGOs (Xu and Chen 2019).

The first phase came to an end around 2015 when capital accumulation noticeably slowed down. China's GDP used to grow at around 10% in the 2000s, but in recent years the growth rate has decreased to around 6% before the pandemic. Throughout the 2000s, the total social fixed asset investment in China grew about 25% per year, while in the 2010s, the growth rate was less than 7%. Even before the pandemic, the fixed asset investment decreased in absolute terms in 2019, which was the first in a long time.[20] Along with the slowdown in accumulation, capital and the government began to be more aggressive against labour in this phase (Xu and Chen 2019). The gig economy started to expand again as the formal sector shrank considerably. Guangdong Province, the hub for the migrant workforce and export-oriented industries, lost half a million formal sector manufacturing jobs between 2014 and 2016 (Xu and Chen 2019). As another example, the urban 'individual employment' grew at about 8.5% in the 2000s, and this rate rose to 11.3% in the 2010s.[21]

The platform companies such as Didi Chuxing and Meituan started to rise to prominence in the second phase. Here it is interesting to briefly compare the labour process under the platforms to the previous models of labour control in capitalism. We can think of the labour process in two dimensions: control of labour and employer responsibilities. In industrial capitalism in the 19th century, the capitalists were often without precise knowledge about the production process, and craftsmen and skilled workers could still have autonomy of their labour (Braverman

1998). On the other hand, a large portion of the work was informal and the employers did not have to pay attention to the labour conditions and social securities. In the regulated capitalism developed in the 20th century, however, the capitalists had much better control of the labour process via Taylorism and capital control of science and technology (Braverman 1998). As part of the deal, capitalists had to share part of the labour reproduction cost of the working class. This model had its huge success during the so-called post-war golden age but met its crisis on the world scale during the 1970s at least partly because of rising labour cost and militancy (Kotz 2015). The economic growth slowed down significantly and capitalists defeated the rising worker militancy via deregulation, austerity, and other neoliberal reforms.

As part of its core features, neoliberal capitalism discourages stable employment and seeks to minimise labour costs to an extreme. A popular model is to go back to subcontracting, where instead of hiring workers, employers just assign tasks to different producers either through often layers of contracts. The spread of subcontracting has deeply reshaped the labour relations in China and the world. This includes multinational corporations working with local contracting firms in poor countries (Smith 2016), as well as firms working with some labour dispatch agency so that workers are not directly employed by the actual employers (So 2014).

The neoliberal model, however, has its difficulty in monitoring workers' efforts, especially when the subcontracted workers do not work in a regular workplace. Even before the platforms, companies already used tracking devices. For example, UPS started installing GPS fleet tracking and telematics equipment in 2008 to have better control of drivers.[22] But the newer platforms generalises the use of tracking and monitoring system and greatly facilitate labour disciplining in the gig economy. A delivery worker in China, although not employed by the platforms in the legal sense, is effectively controlled by the platform companies and their algorithms. It is markedly different from the older gig economy in the sense that the monopoly capital is not only able to avoid direct employment relationship, but also able to monitor workers closely.

The already existing large reserve army, and the visibly slowing down of capital accumulation, contributes to the rapid development of the platform economy in China. For example, according to a report by Meituan itself in 2019, 77% of its delivery workers were migrant workers from the countryside.[23] In 2020 during the pandemic, the size of the gig economy expanded again. As Meituan (2021) acknowledges in another report, more than 80% of the new workers became delivery workers because they could not find a job or their factories/shops ceased production. As China's capital accumulation will probably continue slowing down in the long run, the further expansion of the gig economy, and particularly the platform economy seems likely. And the slower the economy grows, the more pressure on social stability due to joblessness, which will, in turn, pushes the central and local governments to embrace more gig economy that generates some employment. However, the expansion of the platforms would almost always imply continuously suppressing labour costs and aggravating the already high social inequality. This neoliberal model does not seem to be sustainable and the political cost is also too high for the Chinese government.

4. Conclusion

Conceptually, the gig economy and the reserve army, in general, are indispensable for the functioning of a capitalist economy. The relative size of the gig economy goes in the opposite direction of the speed of capital accumulation since faster/slower accumulation tends to expand/shrink the size of formal employment. In this regard, the gig economy and the platforms are not new economic models as the mainstream media sometimes claims. They are but an integral part of neoliberal capitalism. What makes the platforms new is that it achieves effective labour

control even without a regular workplace, perhaps for the first time in the history of capitalism. This is indeed a milestone in the development of capitalism. If in the past, capitalists still had motivations to keep some workers in the formal sector to have better control on their labour, this seems no longer the case with the platforms. It seems reasonable to suggest that the big capital may no longer have an interest in expanding the formal economy or developing a kind of golden age labour relations with more stable contracts and social benefits.

There has been widespread discontent regarding the platformisation of the economy, and the debates and struggles around the gig economy are still ongoing. Recently, for example, in Britain and several states in the United States, the courts ruled the Uber drivers are employees instead of independent contractors.[24] In China, there are also signs of pro-labour regulations as mentioned in the introduction. However, the state does not seem to have a determination to carry out strict regulations yet. Shortly after the publication of a pro-labour policy document in July, the Ministry of Human Resources and Social Security held a press release in August where the officials stated that platform workers and the platforms are neither employees nor contractors.[25] It seems that the Chinese government is exploring a modest reform that aims to provide some minimum protection to the gig workers without offending the employment-generating big platforms. This is also shown in the government's recent plan to allow migrant workers to join local pension plans and to cover the gig workers under the state-led social insurance programs.[26]

These moderate reforms are to a certain extent useful, but they do not directly address the fundamentals of the gig economy. After all, the big platforms make profits based on exactly the problems of the gig economy: informal labour relations, lack of protection and benefits, and long working hours among others. As monopolies, these companies can easily pass on any modest increase in labour cost to consumers.

An example can help illustrate the difficulty of reforms. According to some crude estimates, a large platform like Meituan needs to pay an extra 5 billion yuan to cover just the minimum level of the social security package. In 2020, the net profit of Meituan was 4.7 billion yuan, which means that the profitability could greatly decline if the company starts paying for the basic social security, or in other words, the entire profit comes from stealing social security from the workers.[27] Even if China still had a considerable amount of capacity for state intervention and regulation, it would be more than difficult to challenge the profit logic of capital.

Of course, this is the challenge faced by all the working people over the world. The needed changes will not come unless we rethink and reorient the priorities of our society. The critique of the platforms does not mean a better society will find no use of platforms. On the contrary, a publicly owned platform could provide much-needed services to the people using workers with living wages and reasonable labour intensity. Once we get rid of the profit motive of the platforms, they can truly serve the interest of the people instead of capital. After all, the best way to address the problems of the gig economy is to eliminate the roots of the gig economy in the first place.

Notes

1 The video can be watched here: www.youtube.com/watch?v=X-322QiAmHE, accessed 1 October 2021.
2 www.gov.cn/xinwen/2020-08/08/content_5533263.htm, accessed 1 October 2021.
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5 https://finance.sina.com.cn/chanjing/gsnews/2020-09-08/doc-iivhvpwy5554456.shtml, accessed 1 October 2021.

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28

FICTITIOUS AUTONOMY AND NEGOTIATED CONSENT

Gig work in Japan

Saori Shibata

Japan's gig economy has grown significantly over the last decade. Government and business elites have actively sought to promote gig work, highlighting the opportunities it offers in terms of greater autonomy for workers. This is despite a number of detrimental consequences arising from the further flexibilisation of labour markets associated with gig work. This chapter explores these developments, discussing how the integration of new digital technologies has become a key measure through which efforts are being made to increase productivity and further growth in Japan's ailing economy. This has acted to deprive gig workers of skills and lock them into low-paid and precarious jobs, as well as increasing workplace surveillance and control. Reflecting the precarious nature of gig work, some of the gig workers have opposed the unstable and hazardous nature of precarious work. Nevertheless, social conflict in the Japanese gig economy has been limited. This is partly due to a high level of consent among gig workers, which has also emerged as a concomitant phenomenon of the gig economy.

1. Introduction

The gig economy has grown over the last decade and attracted much attention globally. Gig work, which is a central aspect of the gig economy, consists of two forms of work. One is 'crowdwork' with which workers perform online-based tasks through the digital platform, and the other is 'work on-demand via apps' with which workers perform physical tasks through online apps, for instance, in transport, cleaning and running errands (de Stefano 2016:1). Worldwide, the number of gig workers is estimated at around 48 million (Purcell and Brook 2020:2). This increase and popularity are partly due to the ideas of opportunity, choice, and autonomy with which the gig work is associated.

The way gig work is presented by the state and business creates a specific image of autonomy as the platform allows workers to choose by themselves what tasks to do, and where and when to work. This sense of autonomy has become central to the official discourse that identifies the key advantages of the gig economy (Shibata 2020a). Noted advantages of gig work include: its inclusivity, accessibility, opportunities, and availability. Nevertheless, there are a number of negative effects associated with being a gig worker although a prevailing pro-gig work discourse and image acts partly to counteract these negative effects, creating a degree of consent and satisfaction among gig workers.

The onset of the gig economy in a global phenomenon, but the way that each national economy has introduced gig work has depended on each country's institutional framework. In

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the case of Japan, there already exists a large proportion of non-regular workers, who became a feature of Japan's labour market as a result of reforms to the national economy which have taken place since the 1990s. It is this group of workers who are most likely to enter into gig work. The progress of the online platform economy has broken down work into individually contracted and fragmented tasks, which non-regular gig workers can take up. Furthermore, sluggish wage growth, in Japan has resulted in low wages becoming normalised, resulting in workers accepting low compensation from gig work without substantial resistance. In addition, the Japanese labour market, which has been male-centred and gendered, results in a situation where the gig economy is capable of providing new opportunities for women workers.

The structural pressures in the Japanese economy, including a labour shortage and ageing society, have also prompted policymakers to present a positive image of gig work as a means by which untapped human resource (homemakers and the elderly) can participate in the labour market. This idea of new opportunities has been used to seek to increase the social acceptability of gig work and create a sense of satisfaction with gig work, on the ground that it enables some to work from home and utilise spare time even though remuneration of gig work can be low. This chapter therefore argues that the structural pressures generated by the Japanese economy have prompted political actors to emphasize the benefits of gig work, and that this has resulted in many gig workers to view gig work as providing them with autonomy and choice, despite the disadvantages that gig workers also experience.

This chapter first outlines the contemporary debates on the gig economy and gig work and how critical studies in this area have progressed. Second, it provides an overview of the national context of the Japanese labour market and employment relations and the state of the gig economy in Japan. Third, the paper illustrates several specific problems which emerged in the gig economy in Japan. Fourth, it examines emerging social conflicts involving gig workers in Japan, introducing the Uber Eats Union. Finally, it shows how the gig economy has achieved a relatively high level of satisfaction and acceptance among gig workers despite gig work being largely fictitious when it comes to the promise of workplace autonomy.

1. State of the art: the gig work debate

There is a burgeoning academic literature on the emergence of gig work and its key characteristics (Demirel et al. 2020; Graham et al. 2017; Moore and Joyce 2019; Purchell and Brook 2020; Veen et al. 2020; Wood et al. 2019). Among these studies, many observers point out the negative aspects of the gig economy and gig work, especially the way in which it generates increasing precarity among gig workers (de Stefano 2016; Howcroft and Bergvall-Kåreborn; Veen et al. 2020; Moore and Joyce 2020; Sundararajan 2016; Shibata 2020a; Valenduc and Vendramin 2016). Some identify the increased level of (algorithmic) control and monitoring over the gig workers (Curchod et al. 2019; Shibata 2020a; Moore and Joyce 2019; Valenduc and Vendramin 2016; Wood et al. 2019). Demirel et al. (2020) contest the idea of 'democratising work' surrounding the online labour market and highlight the uneven power held on the side of platform owners, and that online platform as not a neutral space. Others have also pointed to the emergence of social conflict as gig workers seek to challenge their experience of precarity (Tassinari and Maccarrone 2020; Moore and Joyce 2019; Suntherlands et al. 2020).

Nevertheless, we cannot deny the fact that many gig workers are also satisfied and content with this new form of work and their choice as an autonomous worker. Panteli et al. (2020) argue that collaboration among gig workers creates meaning, personal work identity, and bonds of work attachment. Such attachment and collaboration acts to buffer the precarious nature of their work (2020:439–490). Likewise, gig workers in Japan also show a high level of satisfaction

with online platform work (Rengo 2016). We should not dismiss this consent and satisfaction when examining the gig economy, as it indicates that gig workers value this new form of work, and the flexibility, employability, and autonomy which its advocates claim that it provides and which arguably counteracts the negative and exploitative nature of the gig economy.

Consent does not naturally emerge in the gig economy, and workers do not spontaneously internalise certain meanings through their engagement with gig work. There are always coerced and negotiated aspect to workers' interpretation of their working condition (Purcell and Brook 2020). Although gig work appears to create an opportunity to become your own boss, it also continues to be a route through which workers are subject to control and exploitation (Purcell and Brook 2020:7). Drawing on Burawoy's studies, Purcell and Brook argue that subjective experiences of power can conceal underlying power relations, including through the reinforcing of dominant conceptions of the world and neoliberal assumptions about the inevitability of the market and its reproduction (2020:3). They point to both Foucauldian and Gramscian understandings of how the market pressures workers to reposition themselves as ideal economic actors (2020:7). Workers tend to construct themselves in the labour process by engaging in and believing in meaningful activity, despite these operating through unequal social relations (Purcell and Brook 2020: 5). Workers, therefore, become governable subjects. They internalise norms that enable them to make sense of their daily experience and lead them to seek to engage in purposeful social action. Workers learn to believe in self-entrepreneurship and employability (Purcell and Brook 2020:6–7). These understandings of power, control, domination, and governmentality are helpful when examining how the gig economy has been developing in Japan and how gig workers accept this new form of work as an autonomous choice. They are also valuable factors to consider, particularly in the case of Japan, where strong norms on commitment and dedication to work exist and where consent and satisfaction among gig workers are relatively high despite uneven power relations.

Alongside a consideration of the underlying power relations and associated forms of governmentality that constitute each national context, we also need to highlight the institutional role that each national context plays in the development of the gig economy. This deserves a closer look as the impact of new technologies is dependent upon the political economy of each national context's institutional configuration, which mediates the impacts and the outcomes of technological change in each economy. Structural pressures, including the stagnating economy, declining birth rates and population, limited opportunity for women workers, and low productivity, have each created the need for the Japanese economy to seek alternative economic growth strategies. This search for new growth strategies has been accompanied by a move by government and business elites to adopt certain discourses that both problematise Japan's contemporary economy and advocates new forms of work (Shibata 2020a).

This chapter demonstrates Japan's specific national context and the norms and discourses that have been adopted in an attempt to secure the consent and commitment of workers situated within the gig economy, which in return have mediated the gig economy's impact. This demonstrates the nationally specific way in which uneven power relations are concealed, generating a view held by gig workers that they have meaningful work, which encourages workers to acquire an attachment to their work. This is done by examining how the state and business emphasise autonomy and conceal the underlying disadvantages that gig workers experience.

2. Japan's labour market and the growth of gig work

Japan's labour market has gradually transformed from one characterised by stability and employment security, which was a central element of Japan's post-war economic model, toward increasing instability, flexibilisation and precarity from the 1990s onwards (Shibata 2020b). Many

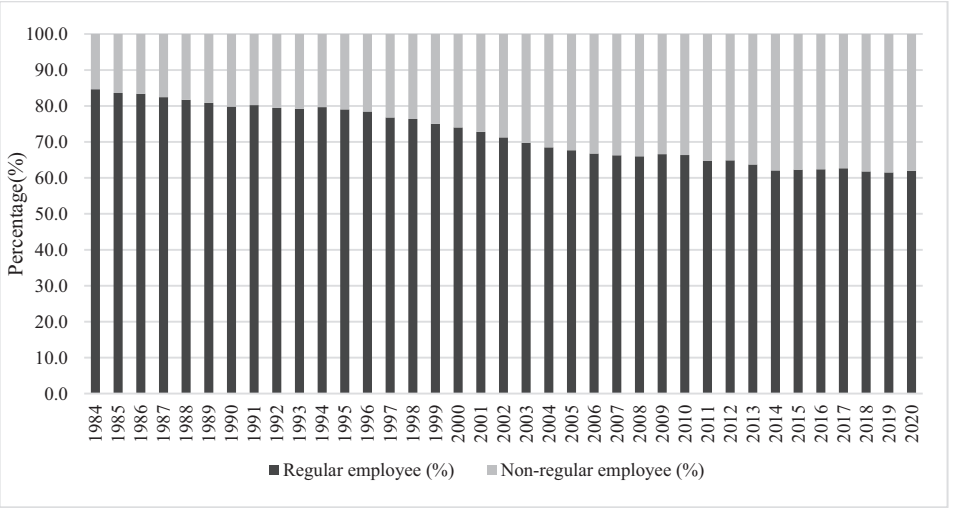

Figure 28.1 Proportion of employees by type in Japan, 1984–2020.

Source: Statistics Bureau of Japan (2020). Labor Force Survey, historical data, figure 9 (1).

studies have identified the problems and challenges that the Japanese labour market faces (Imai 2021, 2021; Gottfried 2015; Lechevalier 2014; Fu 2011; Watanabe 2018, 2020; Shibata 2016, 2020b; Yun 2016). These studies have each identified, and problematised the significant increase in non-regular workers in Japan's labour market (see Figure 28.1). Non-regular employment status is particularly common among women workers who, due to their reproductive role, are encouraged to take up peripheral part-time jobs (Gottfried 2015, Fu 2021). The flexibilisation of employment relations has also generated employment insecurity, precarity, gender inequality and disaffection among many workers (Imai 2021; Kingston and Osawa 2021). This progress also occurred along with the decline in the power of the established unions due to the declining proportion of regular core workers. The Japanese labour market is therefore commonly viewed as having become less coordinated (Shibata 2020b).

In addition, the Japanese labour market faces a decline in birth rates and population, all alongside a declining and ageing population, in part due to Japan's historic gender inequality and illiberal migration policy. These challenges, accompanied by the problem of sluggish economic growth, continue to create pressure on the government and business to seek a more flexible labour market. This labour market liberalisation has in turn led to increased levels of disaffection among workers. This has created an additional pressure on the government and business to identify new forms of work that prompt lower levels of resentment and maintain flexibility. In this context, we have witnessed the emergence and presentation of the gig economy with a strong focus on the benefits that it offers (Shibata 2020a:541–542).

The introduction of the gig economy and gig work in Japan over the last ten years has included new online platform businesses as a matching service for people who work from home. The first such service emerged in 2007 in Japan. The current form of online platform business emerged in 2013, and there are over 100 services provided through the platform. The number of gig workers is difficult to grasp correctly. According to the survey by *Lancers*, the number of freelancers, which include gig workers, has increased 11.5 million in 2018 to 16.7 million in 2021 (Lancers_PR 2021:6). The government estimates that 20% of freelancers are online gig workers. This means that there are roughly 3–4 million gig workers in Japan.

Over the last year, from 2020 to 2021, 17 % of the increased number of freelancers is made up pf 'homemakers' (housewives and househusbands) (Lancers_PR 2021:21). Thus, gig work represents a means by which homemakers to earn an income.

The increase in the number of gig workers is partly due to the spread of remote working and the elimination of travel time, which has freed up time for people to take on second and third jobs. According to the survey of freelance workers by Lancers, the number of respondents who said they worked less than ten hours a week in 2021 increased by 27% compared to 2020, suggesting a sharp increase in the number of homemakers working in their spare time (Lancers_PR 2021:21–22). Homemakers increasingly use their limited free time at home to earn income from online platform work.

Types of gig work range from various types of physical gig work to online-based work. Physical gig work includes providing child care and elderly care services, delivery services, running errands such as shopping, and accompanying the elderly to shops. Platform workers also engage in a number of tasks which includes investigating empty houses and registering them, collecting surveys manually and digitally, collecting publicly available bid information and making datasets, and making images of receipts (Betsui 2016). Online-based gig work consists of low-skilled clickwork, knowledge-based and high-skilled work, including system engineering, which gig workers can provide on an online platform. As Table 28.1 shows, there is a diverse range of tasks provided by platform business in Japan.

This development of the gig economy partly comes from government support for the industry, with the Japanese government proactively backing the gig economy. The Ministry of Internal Affairs and Communication (MIC) has produced a list of benefits and advantages that online (platform) work generates (Table 28.2). This includes a heralding of the strength of the gig economy to address a labour shortage and create job opportunities for individuals to play an active role in the economy. It also includes a focus on the benefits available for women, highlighting that they do not need to face pressure to choose homemaker duties and their careers (Table 28.2). It also includes the promotion of the gig economy as a means by which to achieve an improved work-life balance. The state thus focuses on the convenience and opportunity presented by the gig economy as well as considering gig work in terms of its capacity to contribute to productivity and labour-saving costs (see Table 28.2).

The championing of the gig economy has become a convenient potential solution through which to address the challenges facing the contemporary Japanese economy. The gig economy promises to create a low-risk labour market for the government and employers, shifting the responsibility employment insurance, healthcare, pensions, compensation for workplace injuries and accidents, training and office facilities, all from the firm to the individual gig worker. The government has routinely declared that platform work provides an opportunity for flexible working conditions and increased labour capacity, as well as providing better and more agile services for customers (MIC n.d.). The government, therefore, champions the significance of gig work and the choice and autonomy it creates, even though it tends to conceal the shifting of responsibility from firms to workers, which accompanies the proclaimed rise in working autonomy.

In addition to the government, businesses have also sought to promote the development of the gig economy. For firms, the benefits are especially cost reduction and productivity. As one platform company owner puts it:

> In the case of collecting bidding information, what would happen if we hired hundreds of part-time and temporary workers? You have to train them, you have to pay fixed labor costs, and you need computers and other equipment. You also need to

Table 28.1 Types of Gig Work in Japan

Types of tasks	*Details of tasks*
Consulting	Consulting on management and strategy
	Web/IT consulting
	Consulting on HR
Administration	Producing materials including PowerPoint and Excel documents
System engineering/running	Web system development, programming, and management
	Software development
	Data management (design database)
	Network establishment and structuring
	Application development (Windows, iPhone, iPad)
Web production and web design	Website/media site design
	HTML and CSS coding, CMS development
	WordPress production
	Banner creation
Provision of photos, images, videos, narration	Provide photos and images
	Provide video clips for promotion and advertisement
	Create web animation, animation, picture books
	Create music clips, soundtrack, and other sound products (vocal guidance, sounds for games, image narration)
Writing/naming	Create blogs and articles for advertisement
	Conduct interviews
	Proofreading and script, plot, scenario writings
Designing	Creation and designing of logo, illustration, and character
	Designing of a leaflet, flyer, and business card
Care service	Provision of private care services for the elderly
	Household and daily living support services (cooking, gardening, pet care service)
	Childcare service
Information gathering	Collecting surveys (digitally and manually)
Delivery service	Food delivery
Running errands	Shopping

Source: Author's own.

> rent an office. In the end, it's costly. If you replace these costs with gig workers, the labor costs are not fixed, they are only incurred when work is done, so you can spend money on sales. Of course, you need a separate person to control quality, so there is a cost for that, but in our own comparison, we have cut costs by about 64%.
>
> (Kobayashi, author's translation, in Betsui 2016)

The cost-effectiveness of using gig workers is undoubtedly one of the most attractive aspects of gig work for employers. The relatively new business association, Japan Association of New Economy (JANE) (Shin Keizai Renmei), promote platform (sharing) economy as one of its key projects (Japan Association of New Economy 2018). In doing so, it emphasises the importance of the online platform, which enables rideshares in the context of a labour shortage in the taxi service sector. It also highlights the importance of innovation, entrepreneurship, and the new economy for addressing the ailing Japanese economy. As the association puts it,

Table 28.2 Benefits and Advantages of Online Work

Significance and effects of platform work	
Promotion of counter-measures against declining birth rates and an ageing population	Contributing to the realisation of an environment in which individuals can work willingly, demonstrate their abilities, and play an active role in a rapidly changing demographic structure. Expanding employment opportunities for women, the elderly, and people with disabilities Easing the pressure to choose between work and childbirth, childcare, and nursing care. Contributing to covering the decline in the working population
Realisation of work-life balance	More time to spend with family and self-development Realisation of an environment in which families can raise their children with peace of mind Promotion of regional revitalisation
Promotion of regional revitalisation	Regional revitalisation through UJI-turn,[1] two-region residence, and companies in the region
Reduction of environmental impact	Contribution to the prevention of global warming by reducing CO_2 emissions through alternative modes of transport
Securing of capable and diverse human resources and improvement of productivity,	Realisation of flexible working methods to secure and prevent the outflow of talented and diverse human resources and to utilise their abilities
sales efficiency and customer satisfaction	Increase in the number of customers and time spent with customers Quicker and more agile customer service
Cost savings	Reduction in office costs such as space and paper, commuting time and transport costs
Business continuity during emergencies	Decentralisation of offices for quicker response to disasters Response to new strains of flu, influenza, and infection.

Source: Derived from Ministry of Internal Affairs and Communication (MIC) (n.d.).

> in order for Japan, with its declining birth rates, ageing population, and other structural problems, to survive international competition and continue its economic growth in the future, it is essential to promote and develop new industries based on the more strategic use of information and communication technology (IT). It is an urgent task for Japan to improve the environment of policies and systems that support this development.
>
> (Japan Association of New Economy n.d.)

In these terms, the online platform economy has become a critical model promising to resolve the labour shortage problem and improve the competitiveness of industries.

The CEO of *CrowdWorks*, which is the largest online platform company in Japan, Yoshida, outlines his company's vision in Workstyle Revolution (Hatarakikata Kaikaku). In his vision, Yoshida promotes the advantage of the gig economy and argues that,

> in the form of full-remote and full-flex work, his company has already developed an environment since 2020 that allows full-time employees to work from home five days a week. . . . [T]his initiative has been very well received by working mothers and fathers who feel that they can work from home even after giving birth and that they can work with peace of mind even when their family members become ill. We are simply using the existing work system, so we can carry out our work as before without feeling any discomfort.
>
> (Yoshida, in Japan Association of New Economy 2020)

Both the state and firms are, therefore, key advocates of the gig economy. They present the gig economy as a new measure to solve problems such as the labour shortage, ageing population, low productivity and limited employment opportunities for (mainly female) homemakers. They also support gig work as a measure to realise work-life balance, revitalise rural economies, and create a new form of work that make homemakers feel 'less guilty about not engaging in paid work.

3. Growing precarity in Japan's gig economy

Gig workers in Japan face similar disadvantages to those which many observers have identified across the advanced economies. Nevertheless, Japan's labour market has a higher rate of non-regular workers, which has created a larger pool of potential gig workers. This divide between regular and non-regular workers also risks increasing as a result of the growing move towards gig work.

In addition, wage increases in Japan have been lower over the last 30 years than in other advanced economies (Figure 28.2). This has created a situation whereby low wages are the norm for non-regular workers. As a result, workers in Japan are more prone to accept low compensation for gig work. Japan's gendered labour market, in which women tend to be part of the peripheral workforce, also creates a situation in which women are predominantly employed as gig workers.

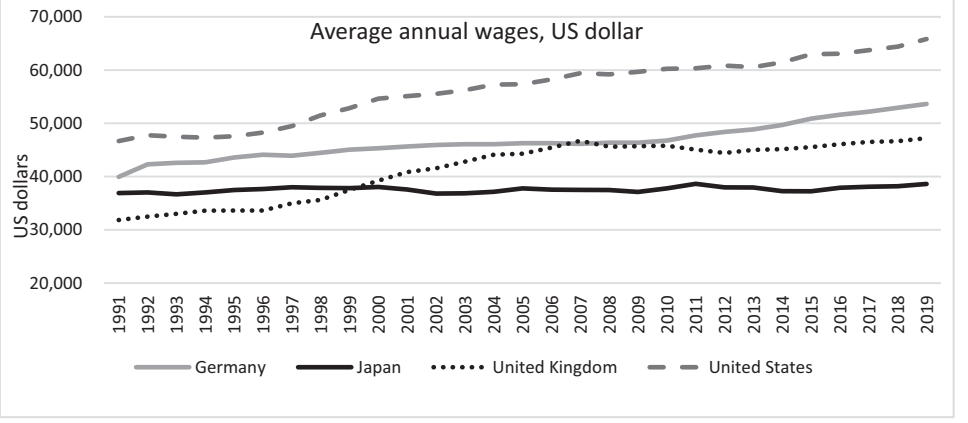

Figure 28.2 Average annual wages, US dollars.

Source: OECD (2021) Employment and Labor Market Statistics, average annual wages.

Low and unstable payment, deskilling, and employment insecurity

In terms of the type of work offered, the majority of the available gigs tend to be low-paid, low-skilled and fragmented, mundane, or repetitive tasks. According to a survey on gig work conducted by Rengo, Japan's largest union association, roughly 40% of gig work tasks are data input, clerical work, organisation of sales slips, writings for a short article, advertisement piece, blog, and collecting data (Rengo 2016:3). These tasks tend to be simple, repetitive, and low-skilled. The remuneration for such gigs is low, and workers are not likely to gain skills. The government's White Paper on Small- and Medium-Sized Firms demonstrates that 70% of gig workers reported pay to be low (2014:405, see Figure 28.3). The survey on freelance workers conducted by the Cabinet Secretariat shows that 59% of respondents consider the low income from gig work to be a severe barrier to working as a freelancer (Prime Minister of Japan and His Cabinet 2020:5). 68% of gig workers only gain a monthly income below ¥5,000 ($46), and 90% earn below ¥20,000 ($184) per month (METI 2015:406). This is not a sustainable income by itself. Not surprisingly, the survey by the Small and Medium Enterprise Agency shows that nearly 50% of gig workers expressed dissatisfaction with their income (METI 2017: 224).

In addition, gig workers also face the insecurity of payment, including late and unstable payment and unpaid wages. According to Rengo's survey, the majority of gig workers (56%) experienced some kind of problems in their work (Rengo 2016:9, Table 28.3). Delayed payment is the most frequently encountered problem, with many also experiencing non-payment or underpayment of fees. *Lancers*' survey shows that 40% of respondents viewed unstable income as the key barrier to taking up gig work (Lancers_PR 2021:30, see Figure 28.3). Some employers avoid payment if gig workers do not use the mediating platform companies and provide tasks as an individual. Individual gig workers have to take this risk, and it is their own responsibility to seek to rectify such problems.

The low pay associated with gig work is compounded by other problems. Thirty-seven per cent of gig workers view usage fees as expensive (Figure 28.4). These are fees that gig workers

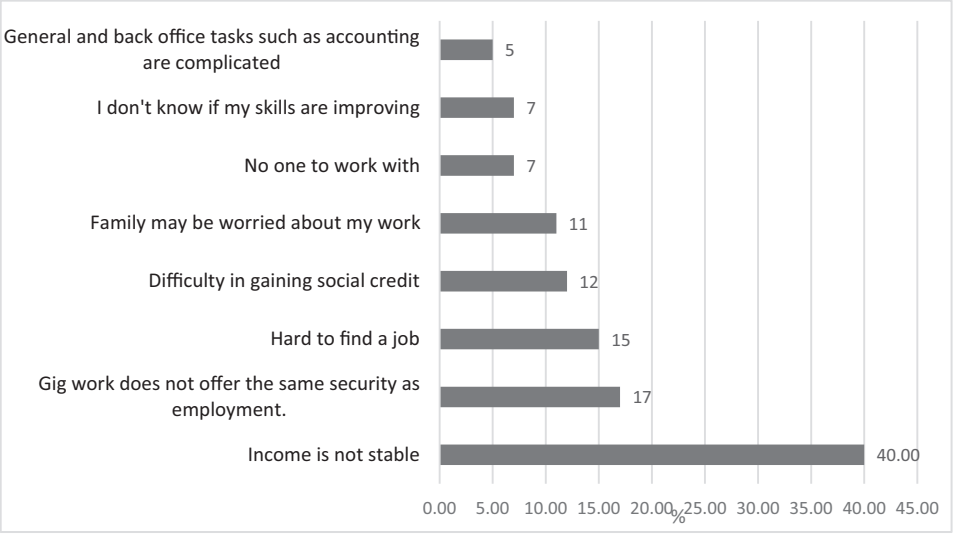

Figure 28.3 Barriers to freedom of work.

Source: Formed and translated from Lancers_PR (2021:30).

Table 28.3 Main Problems Gig Workers Experienced (n = 1,000)

Types of complaints and problems	*Proportion (%)*
Delay in payment of remuneration	20.5
Non-payment or underpayment of compensation	17.1
Unreasonably low remuneration	15.7
Unreasonable changes in the content of work	12.2
Unilateral cancellation of work prior to the start of work	10.4
Termination of ongoing orders	6.8
Suddenly bringing forward the delivery date	5.7

Source: Rengo (2016:9).

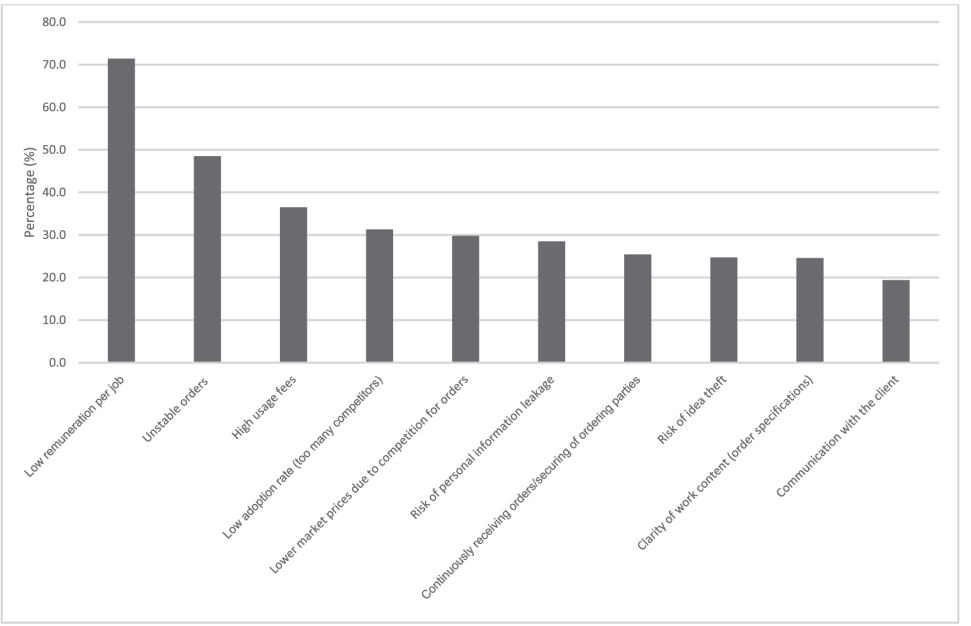

Figure 28.4 Key challenges facing gig workers in using online platforms.

Source: White Paper on Small- and Medium-Sized Firms (METI 2015:405) (n = 1,063).

have to pay to register with online platform companies, which are 20% on average of the hiring fee and are deducted from their remuneration for each gig (Para Navi 2021). Gig workers are individual contractors who do not benefit from company-based job training in the same way as regular workers in Japan do. Such gig workers tend to remain low-skilled and thus low-paid for the long term.

The White Paper on Small- and Medium-Sized Firms (METI 2015:405) shows that nearly 50% of gig workers view unstable offers of gig work as problematic (Figure 28.4). According to Lancers' survey, 17% answered that gig work does not offer the same security as employment (Lancers_PR 2021:30). In addition, the survey on freelance workers conducted by Cabinet Secretariat highlights that over 17% of respondents consider that they lack the opportunity to expand their network since they work independently (Prime Minister of Japan and His

Cabinet 2020:5). Not only networks but gig workers also face difficulty gaining social credit (Figure 28.3). This is a new form of insecurity they experience directly as a result of being gig workers. Other problems gig workers face include difficulty in finding jobs, a lack of insurance when they get sick or injured, and a lack of regulation of work hours and holidays (Prime Minister of Japan and His Cabinet 2020:5). Each of these problems highlights the insecurity created by the introduction of gig work.

Low compensation for gig workers and insecurity can also consolidate the divide between regular core workers and non-regular gig workers. Gig workers face insecurity in terms of their jobs and payment. This, therefore, risks compounding the already growing pay divide between regular and non-regular workers.

Platform control and the intensification of work

Gig work promises to provide an opportunity to become your own boss and a self-entrepreneur. This is, however, a highly constrained form of autonomy as gig workers are expected to be ever-available for work, especially as a result of the need to respond to clients quickly in order to win contracts. The online platform enables the 24/7 availability of workers. It can make this availability visible on the online platform to potential clients (providers of the tasks). Crowdsourcing companies (online platform providers) in Japan, such as *Lancers* and *CrowdWorks* have a system through which workers can show their availability online, and employers looking for gig workers to perform the paid tasks can search for them 24/7. Workers who are available for long hours tend to obtain contracts, and this exerts a new form of control over gig workers. The visible availability of each gig worker on the platform can also potentially intensify work since gig workers are trying to win contracts since there is no regulation to limit or protect working hours for gig workers. Such intensification of work can also occur because one of the main concerns raised by gig workers is not finding tasks (Figure 28.3).

Recent technology represents an advanced system through which to monitor workers working from home (teleworkers). The system randomly takes a picture of the computer screen while the employee is working by pressing the 'sit' button and sends it to the supervisor, while the employee is unaware that the screen picture is being taken (NHK NEWSWeb, April 24 2020). Such new technology clearly represents a heightened form of control over workers despite them working at home. This illustrates the general way that the autonomy and freedom that gig work promises are better considered to be fictitious (Shibata 2020a).

The competition for work that is facilitated by online platforms acts to intensify gig work. Platform companies use various tools to ensure gig workers compete for work on their platforms. Many platform companies adopt some kind of quantifiable measure as a means by which to compare gig workers, their performance, their availability, and their evaluation results. For instance, Lancers selects some gig workers as 'certified Lancers' (they call their registered gig workers Lancers) and 'noteworthy Lancers'. Certified Lancers have to meet the requirements for reply speed, delivery performance, compensation amount, and high evaluation (Lancers 2021a). These gig workers are considered experts in their field and have to record an average evaluation score of over 4.8 out of 5.80% of responses to the potential clients that have to be made within 24 hours. More than 90% of their accepted tasks have to be completed without any complaints. Their identity has to be clear and approved on the online platform. Noteworthy Lancers, in contrast, are upcoming gig workers who have risen in the ranks (Lancers 2021b). Those gig workers are located as second-best for clients when they cannot hire certified Lancers. Lancers also encourages gig workers to rank themselves and get much attention from potential clients by directly approaching potential clients who viewed their profile (Lancers

2021b). Individual gig workers must make a significant effort to be successful. Even though it is workers' choice, platform competition stimulates them to be better, more efficient, agile, and valuable. This complex monitoring system also highlights the fictitious nature of freedom generated by gig work.

Intense competition for gig work undermines the autonomy which the gig economy promises. Over 30% of gig workers consider there to be too many competitors on the online platform, and nearly 30% of gig workers think that such competition causes lower market prices of gigs (Figure 28.2). This competition with other gig workers and competition to lower the unit costs of each gig each generate pressure on gig workers. New gig workers are forced to offer low-wage work on their profile page in order to acquire a track record of successful completion of tasks and thereby attract clients. Forty per cent of workers employed in the Japanese labour market are flexible non-regular workers. This group of workers tend to earn low wages, and many use gig work as a means to earn additional income. This encourages the acceptance of low compensation among gig workers and forces them to compete for low-paid work.

Increased individual responsibility and risk

While the claims often made is that ingenuity can make gig workers more productive, nevertheless, productivity suffers if gig workers cannot manage their schedule and tasks adequately. If gig workers take too much time off and do not get enough work done, then incomes are typically insufficient. While the claim often made is that gig workers have the right and choice to disconnect, oftentimes gig workers are unable to finish their work and switch off. This has a detrimental impact on gig workers' work-life balance, with some making themselves available 24/7. This is compounded by an evaluation mechanism that motivates workers to stay connected.

Despite this concern over intense work and potential long working hours, the government and business present these practices as the result of workers' own decisions to be connected for long hours, something which is said to arise as a result of the autonomous nature of gig work. In contrast, new technologies and online evaluation create an environment of surveillance and control over some workers. In the case of Japan, in particular, where a long-working practice and working culture are widespread, such practices have the potential to motivate workers to be online on the platform for very long periods of time.

The gig economy operates under a considerable level of ambiguity, and many gig workers have experienced difficulty in terms of communication with their clients. According to the White Paper by the Small and Medium Enterprise Agency (Ministry of Economy, Trade and Industry. (METI) 2015), difficulty in communication with contractors is the second most frequent concern raised by gig workers (Figure 28.4). This difficulty in communication adds to the time involved in completing tasks. In addition, many gig workers (freelancers) report problems in terms of unreliable clients. The survey by the Cabinet Secretariat reveals that 60% of respondents who experienced a problem with their client had not received a written agreement or explanation, and/or the details of their contract were not presented in a clear way (Prime Minister of Japan and His Cabinet, 2020:18–19). While gig work is often said to create autonomy, the reality is that gig workers routinely report difficulties in terms of negotiating their contracts, being given a clear description of each task, being accurately compensated, and maintaining their image as a 'good' gig worker. While platform companies mediate the relationship between gig workers and their clients, individual gig workers bear the majority of the burden for negotiating the contract and clarifying the content of the task. As such, gig workers are subjected to considerable control as a result of their engagement with the online platform.

One of the advantages of gig work that is routinely pointed to by its advocates is the opportunity to acquire freedom and choice over the hours when work is conducted. Yet for many workers, this choice is largely fictitious. According to the survey on freelance work, nearly 50% of respondents became freelance gig workers out of necessity, whereas 30% voluntarily became gig workers (METI 2017:221). According to the Survey on Awareness and Satisfaction of Gig Work, many gig workers in Japan perform gig work in order to earn additional income (UlU-RU 2017). This is in a context in which the majority of gig workers' monthly income from gig work is extremely low. Claims about freedom to choose working hours often do not stand up to scrutiny.

Gendered gig economy

The take up of gig work has also tended to have a gender dimension. This is partly due to the promotion by the Japanese government of gendered patterns of employment. The Liberal Democratic Party of Japan (LDP) has historically maintained and sought to sustain 'traditional' values with regard to a family, male-centred working environment, with women largely constrained to a homemaker role and a peripheral section of the workforce. It is in this context that we should understand how the online platform provides work for women as homemakers. About 40% of women workers engage in gig work as their primary job, compared to 33% of male workers. Nearly 50% of women gig workers engage in simple gigs, including document and data entry, clerical work, the organisation of sales slips and writing, compared to 34% of male workers (Rengo 2016:3). This work tends to consist of simple, repetitive, unskilled tasks, which pay a low rate of remuneration, and as a result, further institutionalise women's peripheral role in the labour market.

Women gig workers are attracted to gig work in order to acquire autonomy over working hours and so that this can be combined with household work. Sixty-seven per cent of respondents cited convenient working times as their main reason to do gig work, and 35% chose gig work due to the option to choose where to work (Rengo 2016:7).

The Japanese labour market has historically been male-centred, and women workers have been restricted to participation in a peripheral workforce. In such a labour market, women workers and female homemakers find gig work a significant opportunity. Indeed, this is a view encouraged by both the government and firms. Nevertheless, this opportunity is limited and constrained. Many female gig workers do platform-based tasks in their spare time to gain extra income, without opportunities to upgrade skills and gain access to more high-paid roles. Further, as Lukács (2019) has shown, many women have viewed platform work as an opportunity to circumvent the obstacles to female participation in high-skilled jobs that exist in the non-platform economy but have been largely unable to do so.

In sum, the introduction of the gig economy in Japan has resulted in higher levels of precarity, an intensification of work, low wages, unstable employment relations and furthering of the divide between male and female workers and between regular and gig workers. Risk and responsibilities are shifted from firms to individual gig workers. Many of these trends expose the fictitious nature of claims about new technologies and fragmented contractual relations, consolidating control by firms over workers' working practices.

4. The emergence of social conflict?

As we have seen, there is a range of concerns that have been raised regarding the introduction of gig work in Japan. As such, it is not surprising to see a growth of disaffection among gig workers. Nevertheless, in Japan, we have not witnessed a significant level of social conflict directed

against gig work in the same way as we have in other advanced capitalist democracies. One exception to this trend can be witnessed in the case of the Uber Eats Union, which emerged in 2019. This is the first union representing gig workers working for Uber Eats Japan. This section examines nascent patterns of social conflict among gig workers by considering the case of the Uber Eats Union.

The Uber Eats Union was created in 2019 and focuses on claims for compensation for accidents and injuries, transparency in operations and improvements in the working environment for gig workers based at Uber Eats Japan (Uber Eats Union n.d.). This is largely in response to the fact that Uber Eats Japan gig workers are exempted from the standard working protections as a result of them not being defined in law as employees.

The Uber Eats Union has highlighted the challenges that workers at Uber Eats Japan are facing. This includes a visible campaign to oppose attempts by Uber Eats Japan to decrease the amount of compensation for workers without explanation in 2021. In response to this unilateral reduction in pay, the Uber Eats Union issued an emergency statement criticising the new fee structure and the confusion and anxiety it created (Uber Eats Union 2021).

As this case shows, food delivery gig workers are not protected nor financially stable and continue to face insecurity and instability. Gig workers who are registered with other platform companies face the prospects of a similar deduction in their compensation, reflecting the relatively weak position of gig workers employed through online platforms.

Nevertheless, in the case of the Japanese labour market, contestation of gig work remains limited, with only one union for gig workers (Uber Eats Union) so far having emerged in Japan. The following section seeks to explain why this is the case by highlighting the way in which consensus and consent have been (partly) secured within Japan's gig economy.

5. Concealing disadvantages and negotiating consent

Despite the range of problems, obstacles and frustrations that gig workers face, various surveys indicate a relatively high level of satisfaction among gig workers with their choice of work, their opportunity to earn an additional income and flexible hours and to achieve an overall level of autonomy over their work. This section argues that this is partly due to ongoing efforts to secure the content and consent.

According to the Survey on Awareness and Satisfaction of Gig Work, 75% of the respondents are satisfied with working as gig workers (ULU-RU 2017). Another survey by the Small and Medium Enterprise Agency on freelance workers also shows that nearly 50% of respondents are satisfied with freelance work (METI 2017:224). Over 70% of respondents are satisfied with the commuting environment, and over 70% of those are satisfied with their autonomy and discretion over their work (METI 2017:224). In particular, female workers show a higher level of satisfaction than male workers. The same survey shows that gig workers are happy with commuting (82%) and the autonomy that they are able to achieve (77%) (METI 2017:225), with the flexibility that gig work provides, seeming to be particularly appealing for women. This is largely because significantly more women workers are homemakers than male workers, with freelance/gig work enabling them to earn extra income, which they would otherwise not have been able to earn. According to the survey on gig workers conducted by Rengo (Japan's largest union association), 51.6% of respondents (53.6% of male and 48.1% of female gig workers) are satisfied with the income they gain from gig work (Rengo 2016:6), which is a relatively high level of satisfaction with the level of compensation.

Gig work has even been considered by some to be a new means by which to achieve personal growth and self-fulfilment in society. The Survey on Awareness and Satisfaction of Gig

Work demonstrates that the purpose of working on an online platform is first to earn extra income and, second, to learn new skills; and third, to have a connection with society (ULU-RU 2017). This suggests that gig work is widely viewed as an opportunity and a new means to realise workers' potential. A survey by *Lancers* on freelance workers shows that 67% of non-freelancers are interested in doing additional work, and 52% of freelancers answered that they would like to continue freelance work (Lancers_PR 2021:39). Gig work is increasingly popular for women workers as a new way of working. Among registered gig workers, approximately 75% of respondents were 'satisfied' with the service. Many people work from home to improve their skills or to have a sense of belonging to society. Gig work is considered not only a way to earn money or pass the time but also a way to satisfy workers' desire for personal growth and self-fulfilment (ULU-RU 2017).

The increased autonomy associated with gig work appears to be also an attractive element of gig work. The government and businesses have consistently sought to emphasise gig work's attractiveness in terms of increased autonomy and a new form of work which transcends traditional employment relations. The capacity of gig work to provide autonomy has clear potential to appeal to workers in Japan. Employment relations in Japan are known for long working hours, expected loyalty and diligence to employers, a male-centred workplace, and the restrictions on women's labour market participation. These constraints on individual workers in the traditional labour market may partly explain the attractiveness of gig work. Flexible working hours and work from home appeal to homemakers who may otherwise not have an opportunity to earn money and use their skills or who feel unable to participate in society.

The government has also been keen on promoting freelance work as a means by which to address Japan's labour shortage. The government provides public advice on how to acquire gig work, and to overcome obstacles to taking up gig work (MHLW n.d.). The government presents gig work (freelance work) as a potential solution for other labour market challenges, including the lack of or limited opportunities for homemakers to work due to their role within the household and elderly workers who may not want to work full-time. Women workers are led to believe that they can gain extra income and maintain their work-life balance. Elderly workers are encouraged to view gig work as a means to participate in purposeful social engagements through engagement in the gig economy.

In sum, Japan's government and firms have sought to portray the gig economy in terms of the benefits it offers gig workers. These opportunities and the autonomy that the gig economy presents are especially highlighted to women workers and elderly workers, who tend to have less opportunities than male workers to participate in Japan's labour market. The opportunities that gig work presents tends to counteract (to a degree) the negative elements of gig work, such as low wages and unstable work. It is arguably these aspects of the gig economy, with the idea of autonomy, that has so far limited the potential for social conflict.

6. Conclusion

The move towards a gig economy in Japan and the corresponding introduction of gig work have resulted in important changes to Japan's labour market. This has led to a further flexibilisation of Japan's labour market, consolidating trends that have been ongoing as part of a wider process of neoliberalisation of Japan for the past 30 years. The use of gig work to further flexibilise Japan's labour market echoes similar trends that have occurred across the advanced capitalist economies, albeit mediated by the specific institutions that constitute Japan's contemporary model of capitalism. As we have seen, the introduction of gig work in Japan has contributed towards the expansion of the non-regular labour market, with a particular focus on low-skilled

and low-paid employment. The promise of autonomy has been largely unfounded, with considerable surveillance and monitoring of gig workers. The gendered nature of gig work has also ensured that many of the more negative aspects of gig work have been disproportionately experienced by women.

Nevertheless, the level of visible opposition to gig work has been relatively low, and so far limited to the recent emergence of Japan's first gig workers' union, the Uber Eats Union. This low level of organised dissent perhaps reflects the (surprisingly) high levels of satisfaction regarding gig work as expressed by gig workers in the reported results of gig worker surveys. This satisfaction itself in part appears likely to be a product of the considerable efforts by both the government and businesses to highlight the benefits of gig work, especially in terms of the autonomy associated with gig work and the opportunities it presents to workers (especially homemakers and the elderly) who would otherwise be excluded from paid employment. The widespread experience of a range of problems and limitations of gig work, however, suggests that this satisfaction is susceptible to erosion over time.

Note

1 A general term for the phenomenon of population reflux. U-turn: migration from a rural area to a city, and then back to a rural area. J-turn phenomenon: migration from a rural area to a large city and then to a medium-sized city near the rural area.

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29

PLATFORM ECONOMY AND GIG WORK IN SOUTH KOREA

A special focus on Naver and Kakao

Ji-Hyeon Kim[1]

1. Introduction: understanding South Korea's platform economy and gig work

Over the past decades, several US- and China-based large tech companies have dominated the global digital economy, through their ownership and/or operation of a range of influential digital platforms, as represented by such acronyms as GAFAM and BAT. These platforms provide a place designed to facilitate not only social interaction and but also business transactions, through content and service-sharing among its community of users. However, beyond the platform's role as an 'intermediary' that simply provide the place *itself*, not only were they able to privately monopolise the values arising from the economic transactions, but they were also able to gain cultural and political 'hegemonic power' by shaping the fundamental conditions for the ways users interact with each other (Jin, 2017). As a result, there has been growing concerns about the ownership of the dominant platforms and their reach on a global scale. The term 'platform imperialism' (Jin, 2017; Davis & Xiao, 2021) newly coined and used extensively in media studies and the fields beyond, is used to describe an asymmetric relation between the West (primarily US-based platforms that have dominated most of digital sectors) and developing powers (having no choice but to rely technically on such dominant platforms).

Interestingly, though, these platforms are considered less flourishing in terms of their expansion of power in South Korea, where indigenous platforms like Naver and Kakao have achieved a much greater deal of success (Jin, 2017; Steinberg, 2020). Both Naver and Kakao are more widely called in South Korea as a 'portal service' rather than a 'platform', however. The term portal became popular following a consolidation by Naver and Daum's (previous name for Kakao) search engines of several web pages in the late 1990s, which provided access to other sites – the consolidation that originally took place with a view to enhancing user experience (KDPC, 2006). Those two portals have provided nearly free of charge a myriad of services online (Kim & Yu, 2019), from news curation, webtoons (web cartoons), and web novels to real-time streaming, digital mapping platforms and fintech (Naver, 2021; Kakao, 2021). Naturally, both portals came to benefit from the enormous network effects that followed.

Although recently users are more inclined to using smartphone over web to explore digital landscape, Naver and Kakao still take precedence over most other web portals and platforms in South Korea, if not East Asia. Even, both companies have recently come to enjoy their second heyday, through an increasing investment and development of the so-called super app

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(Steinberg, 2020) or Ur-Platform (Srnicek, 2017), which are designed to provide a range of consumer goods and services through their mobile application. More lately, they have also invested greatly in taxi and courier apps (Kakao T, Kakao Mobility, and Saengakdaero), food delivery and e-commerce platforms (KakaoTalk Shopping & Order and Naver Store), fintech (KakaoPay and NaverPay) utilising their wealth of network and resources, sometimes acquiring small and medium-sized start-ups. It is against this backdrop of near-market dominance by Naver and Kakao that has inspired this chapter's goal to analyse the process of how the 'platform capitalism' (Srnicek, 2017) has structured the emerging gig economy in South Korea.

In general, the term 'gig economy' refers to a working environment where labour is structured around temporary employment, contracts, and projects (Woodcock & Graham, 2019). In the late 2000s in South Korea, gig economy was highlighted as a newly emerging economic model – in particular, following the success of a sharing platform (Lessig, 2008; Sundararajan, 2017) that connects various activities of renting out or 'sharing' unused assets and services between users and businesses using peer-to-peer (P2P) networking technology – including gigs. The more the two 'portal' companies have dominated the platform market, the more likely they become affiliated with these sectors. Perhaps to the surprise of many, however, Naver and Kakao have been discussed relatively little thus far (Kwon et al., 2017; Kim & Yu, 2019; Quimba et al., 2020) in most debates about sharing economy and gig work, which are considered to have transformed hugely the labour relations and practices in most of the countries where the platform economy has matured.

This chapter is aimed at, in one respect, speculating on the reasons behind such lack of discussion. First, in South Korea, the so-called sharing platforms (Lessig, 2008; Sundararajan, 2017) has continuously attracted a great deal of public attention ever since 2012 when the Seoul Metropolitan Government first announced its 'The Sharing City Seoul' project based on the ideas of 'sharing economy' model, encouraging citizens to voluntarily participate in the renting out or sharing of spaces and unused resources in order to solve chronic administration problems in central areas of Seoul, such as shortages of parking space and accommodation. However, in Korea they are often considered a 'failed' business model (Hong, 2019), which is largely attributed to the legal restrictions (which could not have been resolved at the local government level) as well as social backlash against the then-newly emergent ride-hailing and guest-accommodating platforms in South Korea. For instance, the spearheading examples in those sectors – Airbnb and Uber – were both legally charged for the violation of fee policies regarding domestic citizens and the application of services, and they subsequently had to scale back or withdraw their core businesses from the country (ibid.).

Sharing economy, in other words, has not yet settled fully as a viable business model in South Korea until recently (Lee, 2020a), and, as such, the discussion of gig economy did not have much chance to reach a mature stage. The discussion had tended to focus on the 'dark side of the sharing economy', that is being an exploitative 'share-the-scraps economy' (Reich, 2015), where only the scraps of the revenue go to the part-time independent contractors and gig workers. Only recently this discussion has been ignited further around the cases of a few successful delivery apps and platforms (Park, 2020b; 2021). Such platforms as Baemin and Yogiyo, known as the Korean Deliveroo (although they were released three years prior to Deliveroo) and owned by Woowa Brothers Corp. and Delivery Hero, rose to the surface of discussion by both gig workers and government officials. However, Naver and Kakao's approach to gig economy is differentiated from that of those more 'conventional' type of gig platforms; instead, they bypass the direct competition in the platform economy through mergers and acquisitions (henceforth M&A) of, or direct investment in, the already prominent third-party platforms in the sectors. This will be discussed in greater detail later.

Another reason behind the lack of discussion on Naver and Kakao can be found from the history behind them (and its predecessor company Daum), both of which are regarded as the achieved symbol of successful internet tech firms, in the areas of search engine and content production. It would be no exaggeration to state that their history began along the introduction of web in general in South Korea – long before the formation and rise of platform economy. They are presented positively as a representative role model of the South Korea's creative economy innovators, sometimes addressed as the Korean Google for their extensive and domestically widely used search engines (Chang et al., 2016). At the same time, they are also recognised as a cultural enterprise, as they have provided a variety of cultural contents (as aforementioned) to induce users (Seo & Park, 2020), while also supporting and funding the development of amateur/user-generated contents (Kim & Yu, 2019). These are undoubtedly an important form of gig works based on digital labour, as I argued elsewhere (ibid.). Yet these issues have more often been dealt with in relation and comparison to the so-called creative labour (McRobbie, 2018) and media labour in cultural studies focusing on the 'platformization of cultural production' (Nieborg & Poell, 2018) – that is, how South Korean IT giants have configurated the process of cultural production and given both exploitation and opportunity seeking to be creative/media labourer to content creators, rather than in relation to gig economy.

Against this backdrop, this chapter begins by analysing the reasons why Naver and Kakao have received insufficient recognition in the discussion of South Korean gig economy and platformisation of labour, despite the centrality of their roles to the operation of gig economy. How are these two tech giants – sometimes regarded to have retained the sovereignty of the Korean platform economy against the platform imperialism (Jin, 2017) of GAFAM and BAT – involved in the South Korean platform economy and changing labour relations? This chapter aims to answer this question by addressing the loopholes in the extant research on Korean gig economy (which has mainly focused on delivery apps/platforms),[2] and by drawing a clearer picture of the shifting governance and dynamics of the South Korean platform economy. By so doing, it aims to draw an analysis of the development trajectory of South Korean platform economy, which will in turn allow a more detailed and region-specific investigation into the platformisation of gig work within the South Korean context and the associated factors, such as the reorganisation of business industries.

To this end, this chapter aims to look in a four-fold way into Naver and Kakao, as well as other platform companies that are competing and collaborating against them. First, it examines the historical formation of the South Korean platform economy, and the concomitant rise and growth of gig economy up to date. Second, it analyses the features and characteristics of gig works on domestic platforms, and how labour is sold or exchanged in a systemic way by the multi-sided framework organised by the platforms. Third, it investigates the public reaction in South Korean society to platform economy, sharing economy and gig work through an analysis of various media and literature. Yet being mindful of the possibilities that platform companies and corporate-friendly media outlets may systematically produce positive discourses about them, it also integrates the experience-based publications (Kim, 2020a; Park, 2020b) by those who actually worked as a gig worker, with a view to offering a more balanced outlook. Fourth, it critically assesses the government policies and regulation about platform economy and gig works in South Korea through a comprehensive review of the government and policy research institutes' publications. As sharing economy, platform economy, and gig work have attracted greater public attention, recent years have seen an increasing number of expert reports on these issues from state-run research institutes, such as the Korea Labor Institute (Kwon et al., 2017) and Korean Employment Information Service (Kim et al., 2019). These reports are utilised as resources for understanding the current address of platform and gig economies in South Korea, but also as the 'raw materials' for bills the government is currently preparing in relation to digital labour.

2. The 'portal saga' in South Korea

In South Korea, the foundation for digital economy in which a business model becomes increasingly and fundamentally dependent on information and communication technology and Web data (Tapscott, 1996; Brynjolfsson & Kahin, 2000) was laid arguably when the former president Kim Dae-jung's administration took the initiative to construct an infrastructure for fostering such emerging technologies, with a view to resolving the IMF financial crisis from which the country was suffering (Kim, 2017). The Kim administration pushed for policies to nurture start-ups (for instance, enacting the special Act for start-ups in 1997), and in conjunction with the then-worldwide financial trend to plough into ICT industries, it resulted in a craze for 'start-up investment'. The number of start-ups rose steadily from around 500 in 1995 to more than 10,000 in 2001; however, with the bursting of the dotcom bubble in the early 2000s, such investments over a decade ended up being a failure. In 2002, the government instead pushed for a 'healthy policy' that aimed to restore and stabilise the market (ibid.).

Regarding the platform economy, what we should pay attention to here are the start-ups that managed to survive such a crisis. Two portals – Daum Communications (Kakao's predecessor company) and Naver – which were launched in February 1995 and June 1999, respectively, have created an oligopoly where South Korea's information and communication industry has virtually been predominated by themselves to date. We can find the secret recipe of such success from their nature as a 'portal'. The portal, also called the 'web portal', refers to a default site built to pass through when users access the internet on the Web. This created a fierce competition situation in South Korea from early on. Initially, both Daum and Naver were focused on providing a search engine, games, and email service, but they have gradually expanded their business model and scope, adding a plethora of services encompassing not only online database and news (KDPC, 2006) but also cultural contents such as shopping, blog, webtoons and web novels, and more recently even fintech and AI-powered services (Naver, 2021; Kakao, 2021). In fact, their initial business model was already diversified to the extent that they received commissions and part of sales profits from the content creators and e-commerce companies selling goods and services facilitated by their main platforms (Kim & Yu, 2019). This great success in platform-based businesses has been increasingly influential in the Korean economy.

Noteworthy here is that through pursuing such diversified business models, these two portal companies managed, from the outset, to collect and process data that were generated as a consequence of both corporate and individual activities (Ryu, 2017). In other words, it laid the foundation for data capitalism as a system in which the commoditisation of users' data enables an asymmetric redistribution of power that is weighted towards the platforms that have access and the capability to make sense of information (West, 2019). Data has become 'big', as new users have continued to flow into the portals thanks to the network effects. By the end of 2000s, Daum and Naver had already grown greatly, almost to a maximum possible degree in the South Korean digital economy and market. To the extent that they first achieved a near-monopoly position in their core business and went on to expand their business through M&As and build a business model transcending specific industries, such process of becoming a 'giant' corporation may resemble a shift to a 'ur-platform', where, according to Srnicek (2017, p. 111), platforms take on a rhizomatic form of integration, as with the case of GAFAM, for instance.

It is noteworthy that this oligopoly has encountered a cataclysm in 2012 around when the ways to access the internet in South Korea started shifting from the Web to mobile devices. This was followed by the reorientation of the IT industrial trend to centre on mobile apps; for instance, the mobile messenger KakaoTalk that was launched in 2010 had quickly risen as a threat to Naver and Daum. KakaoTalk was developed by the start-up IWILab (the previous name of

Kakao) founded by Kim Beom-su, and within eight years of its launch, it came to account for a (messenger) market share of 94.4% in South Korea (Kim, 2018), virtually 'devoured' the entirety of Korean mobile messenger market. Then, on 1 October 2014, Kakao acquired Daum Communication and changed the name of the new merger to Daum Kakao (later renamed to Kakao). Since then, they have expanded their business scope beyond the messenger app and social network services to encompass taxi-call service, digital mapping and navigation, chauffeur service, fintech and digital payment, and even mobile banking (Kakao, 2021). These services are all integrated into the KakaoTalk app; hence, what used to be a messenger and social networking service app is now rendered a 'portal' or 'super-app' to use the recent buzzword, through which people can use all the services in their everyday life. As a result, by 14 June 2021, Kakao has grown into a 'unicorn'[3] company (Lee, 2013) with a market capitalisation of about 63.26 trillion KRW (approximately 55 billion USD) (Kim, 2021b).

What happened to Naver in the meantime? Generally, Naver is often under-recognised as lagging behind Kakao and that they were 'forced' to pioneer into the overseas market, especially since the failure of their own messenger app NaverTalk (Hyun, 2015). However, this *prima facie* failure served as an opportunity for Naver to overcome the geopolitical and linguistic limitations they had as a 'web portal'. For instance, Naver launched in 2011 the messenger app LINE, in collaboration with Z Holdings, which is controlled partially by the SoftBank Group and owns Yahoo! Japan, with a view to entering the Japanese digital market. The result was a great success: LINE has become available in more than 20 languages including not only Korean and Japanese but also English, French, and Mandarin, and by March 2021 it has grown into a global service with 186 million users worldwide (Jung, 2021). Half of the users are based in Japan, and LINE accounts for the Japanese messenger market share of 85%.

It is noteworthy here that unlike Kakao, which has grown by integrating domestic platforms through M&As and expansion, Naver has added on LINE services that are more appropriate and relevant in each oversea market, including online-to-offline (O2O) food delivery, cryptocurrency, loan and insurance, healthcare, live video streaming, and character goods (Line, 2021). While this may also appear to be a shift from being a 'web portal' to a 'super app', but in light of their recent moves, such as M&As with several foreign platform companies, it rather appears to be an aggressive attempt to establish their position as a key economic actor in the global market. In 2021, Naver's founder and global investment officer (GIO) Lee Hae-jin announced a large-scale global M&A/investment plan, whose reach goes beyond Japan and Southeast Asia to North America and Europe (Shin, 2021). Recently in March 2021, they merged Z Holdings and LINE to expand their online services further globally with a view to better compete with US and Chinese tech giants while establishing another joint venture A Holdings to target the general Asian markets (ibid.). At the same time, they moved the headquarters of the Naver webtoon platform to Los Angeles (Park, 2020a) and then acquired Wattpad – the largest user-generated stories and novels platform in the United States (Vlessing, 2021) – merging them to finance a new, combined webtoon/web novel studio with around 160 million net monthly users, strengthening Naver's cultural position in intellectual property and cultural content. Meanwhile, in Europe, they have also invested hundreds of billions of Korean won in 17 companies, including the virtual flea market/classifieds app Wallapop, online marketplace platform Vestiaire Collective, and ride-hailing company Bolt (Shin, 2021).

While the specific methods of the two companies differ, the move of Kakao and Naver and especially the latter, illustrates that their business model is changing in ways that focus on growing the corporate value through M&As, rather than data-based monetisation from search engines or messenger apps. Such move is based on data capitalism as Srnicek (2017) pointed out, but it *also* shows that both companies are economic actors that prioritise growth in the capitalist

economy more than anything else – even more than achieving technical digital innovations. This chapter considers such nature of their operation when examining the issues of platform economy and gig work, which have so far been discussed less perhaps owing to their public profile as indigenous platforms that are resisting against such international actors as GAFAM and BAT.

3. South Korean sharing economy: failure or immaturity?

The development of platform economy in South Korea accompanied an extensive series of discussions not only in academia but also in political circles on how we can understand the emergence of 'platformed' jobs and employment forms, which are differentiated from the existing offline equivalents. In the process, several neologisms such as 'gig economy', 'on-demand service economy', 'digital economy', and 'platform economy' have entered the common parlance, complicating the discourses about changes in the nature and forms of labour on digital platforms (Scholz, 2016; Srnicek, 2017; Woodcock & Graham, 2019). One term that has arguably gained greatest prominence in these discussions is 'sharing economy' (Lessig 2008), which first emerged over the course of the 2008 global financial crisis. This term's popularity followed the widespread success stories of the unicorn companies[4] such as Uber (transport) and Airbnb (accommodation), many of which began as a small-sized venture and grew into a global scale enterprise. At that time, there was also an academic group of advocates of sharing economy, such as Sundararajan (2016), who sees sharing economy (he prefers the term 'crowd-based capitalism') as making positive spillover effects such as 'democratisation of economic opportunity that promises inclusive growth' (p. 108). From this perspective, anyone can put underused assets to work and expand their economic opportunity in the peer-to-peer commercial exchange.[5]

Since 2012, the sharing economy has been described by most South Korean media outlets as an economic environment, which is aimed at improving the efficiency of the overall economy by sharing 'suspended' or 'unused' assets and services with others through digital platforms. Particularly, it has been described in a positive manner as an 'experience-oriented, truly value-based substantial economy', as the 'up-to-date trend' widespread in advanced countries like 'the United States and Europe' (Moon, 2012) or a 'new alternative to overcome the 2008 recession' (Yang, 2012). With the launch of the city-funded project 'The Sharing City Seoul' in the same year, the Seoul Metropolitan Government uses the same repertoire as the reason for investing its budgets in the project: 'when the sharing economy becomes reinvigorated, it can create new jobs and added values. New types of jobs will be created since information and communication technologies will link various resources to those who need them, enabling new venture businesses to become viable with small capital' (Seoul Metropolitan Government, 2012).

But what about gig economy? Around 2015, Korean media outlets started using the term 'gig economy', explaining how a growing number of people began working on a temporary contract based on the real-time customer demand, via 'sharing platforms' like Uber and Airbnb, and how this situation creates the gig economy in the labour market. It has then been pointed out that the etymology of gig economy refers to an economic form of hiring people for a short period of time when labour is needed, and its growth means a rise in the number of temporary workers (Heo, 2015; Lee, 2015). Then the issues of income polarisation occurring under the gig economy has received criticism, when in May 2016 the media outlets reported the remark by Massachusetts Senator Elizabeth Warren at the Hillary Clinton's camp that 'the gig economy is simply the next step in a losing effort to build some economic security in a world where all the benefits are floating to the top 10%' (Warren, 2016, p. 3). Academic discussions about the danger of platformisation of labour ushered in by gig economy that *prima facie* promises

flexibility and work-life balance, but in fact tethers workers to work (Ravenelle, 2019, p. 6), have been ignited through progressive media against this backdrop.

But what was the reality behind these media narratives? In South Korea, the sharing economy has remained an 'immature economy' far from prosperity. One reason may be because there are very few instances of 'innovative' start-ups. Several start-ups self-promoting as 'sharing economy companies' threw their hat into the ring since 2011, but there have been virtually no cases where they have become a unicorn company as with Naver or Kakao, let alone the market value and share they account for remains fairly negligible in the Korean digital market. In July 2019, the Ministry of SMEs and Start-ups and the Korean Venture Capital Association announced that the first half of the year investment in start-ups reached almost 1.9 trillion KRW (approximately 1.66 billion USD), but that in the sharing economy amounted to around 276 billion KRW (approximately 241 million USD) (Kim, 2019c).

One might find that perhaps those South Korean start-ups lacked competitiveness. However, such failure was not exclusive to the domestic start-ups; global sharing economy companies that entered the Korean market also failed to succeed. For instance, both Airbnb and Uber suffered a setback as accommodation and ride-sharing targeting Korean citizens are illegal under the current law (Kim, 2019b; Choi & Ahn, 2018). In addition, Airbnb was prosecuted by the Korea Fair Trade Commission (KFTC) because its refund rules were considered too strict, and its terms and conditions were judged to unfairly cause damage to consumers. For Uber, they launched the UberX service in 2013, which allows any Uber-registered drivers to pick up passengers using their own vehicles, but they were forced to stop operating in two years, being fined for 'illegal operation' violating the country's Passenger Transport Service Act. The National Assembly of South Korea even then legislated an Uber Ban Act. Although some administrative law experts have argued that 'the rigid application of existing laws and systems to a new type of economic model' only hinders the development of the sharing economy in South Korea and that the central government should step up to improve the systems (Choi & Ahn, 2018), yet it has been met by little response from party politicians to date.

In comparison, let us have a look at the moves of Kakao and Naver. The idea of sharing economy has begun to take on controversies in South Korean society since these tech giants began to intervene in this economy. As seen in the previous section, the two companies have been focusing on M&As and expansion ever since they achieved a monopoly in their core business areas – messenger and search engine. Their strategies were oriented towards different goals. However, unlike Naver, which tried to break into the overseas market, Kakao enjoyed the result of its acquisition of Daum and has since expanded its position by integrating various companies and adding affiliates at most major inflexion points of their business. The number of Kakao affiliates has increased every year, with the number currently exceeding 100 compared to 45 in 2016 (Oh, 2021). Rather than technological innovation, it focuses on the 'absorption' of other companies' resources and expertise.

In this process, Kakao also began investing in the mobility sector, which was triggered by their purchase of 62.6 billion KRW of the start-up LOC&ALL, which developed a mobile navigation system in 2015 (ibid.). This led to Kakao's launching of taxi-call service Kakao Taxi and then entering into the ride-hailing service – despite the failure of Uber in the Korean market. On 7 November 2018, Kakao launched Kakao Carpool, a mobile application that allows the sharing of car journeys in one vehicle. This attracted criticism that it operates in a way akin to UberX and so may be illegal under the current law, although Kakao pushed ahead with the launch, arguing that their 'service is primarily for rush hours' in light of the fact that carpooling in the rush hours under the current transport law is legal (Cho, 2019)

However, the public view of Kakao's, such claim is not particularly favourable; rather, the situation went downhill. At a similar time to the launch of Kakao Carpool, Daum's founder Lee Jae-woong also launched a van-hailing service called TADA, where people can rent the platform-owned vans to provide taxi service. The taxi drivers' union claimed that both services are illegal operations and violently protested, and some union members even self-immolated, leaving the will such as that 'don't play petty tricks with sharing economy' (Park, 2019). In the end, the government and ruling party intervened to negotiate between the union and those platforms, eventually creating a TADA Act reflecting the opinions of the union members. TADA's Lee Jae-woong stepped down as the chairman, and Kakao Carpool suspended its beta operation (ibid.). Nevertheless, instead of giving up the technology and infrastructure of companies that they have already acquired, Kakao started acquiring several taxi companies in 2019 and providing the largest-scale taxi service in Seoul (Kim, 2019b). While many sharing economy platforms are referred to as a 'platform death star' (Cohen & Muñoz, 2016, p. 21) for continuing to pursue global dominance at the expense of interrupting and sometimes even destroying the business ecosystem of other countries, Kakao managed to avoid themselves being embroiled in controversies about the gig economy, ironically because they encountered the regulatory restraints. Noteworthy, though, is that this does not necessarily signal the failure of Kakao or Kakao mobility service, as the company's market capitalisation itself has risen to more than 7 trillion KRW over the course of acquiring taxi firms and providing taxi service (Yoon, 2020).

4. Irony of the yet most successful gig economy model

Currently, in South Korea, the kind of gig work in the limelight – and even at the centre of scholarly attention – is the local-based work-on-demand app, such as those provided by Baemin. Such type of gig work is organised and mediated by digital platforms and is sometimes called in Korea 'direct [gig] labour', as they provide in-person services to customers and clients (Kim, 2020b). There is a range of areas where such direct labour-based economic activities are most vibrant, including cleaning, housekeeping, courier, and chauffeur services, although in South Korea, food delivery is where such labour is most utilised. These delivery services are, historically in Korean society, considered the works of the precariat (Kim, 2020b) that are mostly working on a temporary contract basis.

Let us take an example of the app that has almost monopolised the food delivery domain: Baemin. Its developers first launched a delivery app/platform in June 2010, and then five months later subsequently established a start-up named Woowa Brothers Corp. The person registered for this app was able to work as a delivery person for 20 hours per week. The company first went into the black in 2016, and in the following year, Naver invested 35 billion KRW, testifying to the potential for growth of the platform (Hong, 2021). At one time, there was a competition among famous IT companies around the world for the acquisition of the Woowa Brothers Corp, which was finally acquired by German Delivery Hero in 2019. The size of the M&A was known to have reached 9 trillion KRW, and Naver earned about 360.2 billion KRW in this process (ibid.). Baemin's market value and platform size are expected to grow further as the demand for contactless services has increased due to the COVID-19 pandemic; Baemin's delivery service transactions saw a rise of 66.3% on a year-on-year basis, and they recruited more than 1,000 new delivery workers just in July 2020 (Lee, 2020b).

However, overshadowed by such shining success was criticism that, while Baemin is considered a rare success model for the Korean gig work-based platform and may have achieved some innovation in terms of enhancing the efficiency of food delivery, they have had a negative impact on the employment stability of the Korean society as a whole. It should be noticed that,

in South Korea, food delivery business had already been thriving prior to the advent and popularisation of delivery apps; for instance, nearly half of the restaurant and café owners used to directly employ workers for the delivery services. However, with the advent of the Baemin app, that ratio of owners dropped to 26.6% (Kim, 2020b). The form of employment has changed from direct employment to indirect and temporary contract-based employment, and the wage payment has also shifted from paying a monthly salary to commission income based on the number of deliveries done (ibid.). In other words, it has resulted in a decrease in the proportion of full-time workers on a permanent contract basis, and this has caused controversies as the workers who are temporarily hired through the app are not entitled to social security, such as minimum wage and health insurance benefits.

However, Baemin has even further complicated the structure of employment. It acquired the Two Wheels Call, which was an offline delivery agency service, and then established a separate delivery service named Baemin Riders. What is noteworthy here is that those who are employed by Baemin Riders are treated as full-time employees on a direct and permanent employment contract where riders are entitled to occupational health and safety insurance (Baemin Riders, 2021). Creating a specialised app for delivery services in preparation for the increased use rates of the delivery app itself, Baemin sought to (1) increase the number of full-time employees and (2) resolve the issue of being short-staffed during the delivery peak times.[6]

The problem is that, unlike more conventional Deliveroo-style apps that work as a multi-sided platform connecting customers, restaurants, and delivery riders, Baemin brings into existence a more complex structure connecting customers and restaurants *to* the specialised delivery app itself, which then delegates delivery services to the riders. As a result, the identity of delivery workers using the app has become more ambiguous, while it has become more difficult for the central and local governments and regulators to grasp the labour status of the platform (Kim, 2020b; Park, 2020c; Park, 2021; Cho, 2021). Furthermore, not only Baemin but also other companies competing against Baemin have developed different task-dispatch systems according to their respective business strategies, forcing gig workers to spend more time and effort adapting to each platform (Park, 2021). It is against this backdrop that several books, such as < Baemin Do Not Deliver > (Park, 2020b; Cho, 2021), have been written and published by the former Baemin riders to report and critique the problems of these Korean-style delivery apps.

Nonetheless, having become interested in such an innovative business model, Naver has begun to put money heavily into the delivery agency industry. It has so far invested 40 billion KRW in the number one company in an offline delivery agency service Saengakdaero (meaning 'As you think') and became the third-largest shareholder of the number three company Vroom (Shin, 2021). For Kakao, its subsidiary Kakao Mobility recently began recruiting delivery riders, hinting at the possibility of entering the food delivery market. It is predicted in the industry that, thanks to their existing 47 million usership, Kakao will become the market leader over Baemin once they start providing the delivery service (Lee, 2021). Interestingly, Kakao has also opted to employ riders on both a permanent and part-time contract basis, suggesting that they would move back to the pre-gig economy employment paradigm. Paradoxically though, perhaps such a move seems to instantiate the problem of the gig economy, which is job insecurity and vulnerability.

Owing partly to the prolonged COVID-19 pandemic, the gig economy in South Korea, which was formed first around the food delivery market, has been continuing to grow. Usually, in this situation, platform capital tends to expand to other fields utilising big data and technical infrastructure obtained through their achieved monopoly in their field. Big 4 tech firms of Naver, Kakao, Baemin, and Coupang are expanding their businesses into the Q-commerce market, for instance, which delivers small quantities of household goods in a

short period of time, seemingly turning their eyes slightly away from the food delivery service. The issue at stake is, however, that the competition between these platforms has been intensified further over limited human resources, while the platforms increasingly choose a manpower model which combines outsourcing and full-time hiring methods. The issue at stake is, however, that the competition between these platforms has been intensified further over limited human resources, while the platforms increasingly choose a manpower model which combines outsourcing and full-time hiring methods. Might this suggest a digital reincarnation of traditional labour market where the platforms are taking on the position previously occupied by big capitalist corporations? Then we may come to face the issue of not only platform monopoly but also a further complication of problems regarding labour rights and the management of human resources.

5. Conclusion

This chapter has looked at the rearrangement of labour around the two tech giants – Naver and Kakao – that emerged over the course of the formation of the platform economy in South Korea. The powerful influence of these two companies in the Korean IT sector is derived not from their focus on their core business (i.e. search engine and messenger app) but rather from the fact that their platforms, both web and mobile-based, served as a doorway through which to access various other services and contents almost free of charge, thereby creating massive network effects. However, as pointed out in this chapter, both companies changed their business strategies to centre on M&As and expansion once they had established a near-monopoly position in the Korean digital platform market. While Naver was targeting the Southeast Asian market, Kakao, which acquired Daum, consolidated new businesses in the domestic market, and rearticulated them into new enterprises.

The development of sharing and gig economies in South Korea has been deterred by the government and regulatory bodies' restrictive measures (despite the policy-driven promotion of the sharing economy by the local government such as Seoul) as well as by the current Traffic and Tourism Acts that ban the general public from raising income through ride and accommodation sharing. Not only the domestic start-ups but also overseas unicorn companies had to withdraw or scale back their business, and this includes Kakao, which was forced to close its pilot ride-hailing service in the face of public criticism. Meanwhile, the problem of the gig economy has begun to be discussed in earnest with the emergence of the Baemin app that provides food delivery services. Alongside the insecurity caused by the instability of the gig economy-based job market and income polarisation, also discussed were the complicated conflicts between delivery agencies and delivery workers. It is noteworthy that Naver and Kakao, which came to show an interest in such delivery agency services, recently joined the gig work market through M&As (Shin, 2021; Lee, 2021). How should such a move by Kakao and Naver be interpreted? Would this be a natural structural change for them to take as an economic actor in pursuit of profits and winning competition where the winner takes it all (Srnicek, 2017)? Noteworthy here is that their employment strategies behind delivery initiatives are akin to that of the 'traditional' model prior to the rise of the platform economy, such as direct employment. This seems to be inspired by the success of the model that encompasses both indirect and direct modes of employment used by Baemin. Does this suggest that even the IT giants could not manage to overcome the problem of job instability in the gig economy through technical innovation? Or does it mean complicating the institutionalisation of labour and so making equivocal the identity of gig workers?

Some might wonder what role the Korean government may have played in this situation. This chapter has focused more on investigating the role of Naver and Kakao in the digital economy and labour issues but paid relatively little attention to the government and regulators' responses to the corporate moves. This chapter claimed that one of the main reasons that platform labour began to cause controversies in South Korea was, to a great extent, the delayed discussions on gig work and the sharing economy. In fact, it was only in late 2019 that Baemin and Kakao Carpool became a vexed topic of public debates and that the National Assembly and the KFTC started taking initiatives to 'competitively' prepare for various legislations on platforms and/or fairness of platform operation (Kim, 2021a). The current ruling Democratic Party of Korea proposed on 13 July 2021 the Prevention of Abuse of Platform Fees Act, which updates the country's Telecommunications Business Act and outlines the regulation of service charges and commission fees for start-ups that operate IT platforms, including Woowa Brothers Corp. running Baemin (ibid.). Then Kakao hurriedly came up with a forward-looking response to this hostile mood that it would partially withdraw from the delivery business.

The problem is that, as Rana Foroohar pointed out in her book on platform capitalism, *Don't Be Evil* (2019), the failure of such big tech companies as Naver and Kakao also places a great burden on the part of governments too, as they have become *too big* to fail. Their failure could adversely affect not only the corporations themselves and the Korean platform economy but also *all* economic areas where the portals and super apps are involved. Some experts pointed out that the government is responding slowly to technological shifts, and this has delayed the adoption of new innovative business models such as sharing economy and gig economy. Yet the government may have been seeking to buy the time needed to figure out the less glamorous reality of innovation, eclipsed by the acclaim. Therefore, the discussions on the South Korean gig economy may begin in greater earnest from now on, with a more detailed understanding of the significance of the domestic cases of the platform economy, which has so far been discussed at most merely as a comparative case ancillary to the practices of platform imperialism by GAFAM and BAT. It is hoped that this chapter can be recalled in and allowed to enliven such discussions.

Notes

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2 For instance, in case of 'Baemin', which is known to be arguably the most successful example of Korean gig economy, it has attracted a considerable amount of analyses such as on its profit model, how it has disadvantaged gig workers, the changing platform-labour relation, etc (Lee, 2020a; Park, 2020c; Park, 2021).

3 The term 'unicorn' or 'unicorn company' refers to a privately held start-up company valued at over $1 billion – like Uber and Airbnb.

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5 In an opposite way, Scholz (2016) calls the sharing economy as 'on-demand service economy that set out to monetise services that were previously private' (p. 2), in the sense it absorbs profits out of previously un-monetised [social] interactions, thus creating new forms of exploitation and spreading precarity throughout the workforce.

6 Baemin's strategies have also affected the way competitors hired riders. For example, Coupang, another big tech company which expanded to become one of the largest e-commerce platforms in South Korea, hires 100% full-time riders who work exclusively on their own platform, since it entered the food delivery market in 2019.

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CLASS FORMATION AND RELATIONS AMONG FILIPINO CLOUDWORKERS

Cheryll Ruth Soriano

1. Introduction

This chapter examines the emerging class formation and relations among cloudworkers as well as its underlying institutional structures. As an empirical anchor, the chapter focuses on the Philippines, which has actively embraced platform labour, with millions of Filipino workers obtaining gigs from cloudwork platforms. I explore emerging class relations among Filipino cloudworkers given the mutually intersecting layers of technological, state discourses, social, and interracial relations that shape worker subjectivity. The tighter interconnectedness of the global economy and of class practices notwithstanding, cloudwork, like labour migration where the State plays an instrumental role in promoting, reinforces the view of class structures still as national formations, although enacted in dialectical tension with workers' 'techno-entrepreneurial spirit'. In this techno-global workplace, friendships arise, but in the same breath, national and local attachments are deepened as Filipino workers find relational spaces of solidarity amid competitors and clients from other countries. Yet class hierarchies also emerge among cloudworkers, and these hierarchies are shaped by the workers' capacity to negotiate the technological, national, social, and interracial dimensions of cloudwork and which influences their sense of control and agency over their work. I discuss the inter-relationships between and across class hierarchies, highlighting how the experiences and narratives of influencers, worker-agencies, and highly specialised workers are cascaded to shape the imaginaries of the majority of new entrants and precarious Filipino platform workers.

In examining the local articulation of the gig economy in the Global South, this chapter examines emerging class relations among cloudworkers in the platform economy as well as its underlying institutional structures. As an empirical anchor, the chapter focuses on the Philippines, which has actively embraced platform labour with millions of Filipino workers obtaining gigs from cloudwork platforms such as Upwork, Fiverr, and Onlinejobs.ph now ranked as top among the world's largest growing gig economies (Payoneer, 2020). Concerned with the question of 'class formation' in the platform economy, this chapter attends to understanding under what conditions class identities and consciousness might emerge amid the increasing globalisation of production, platformisation of work, and individualisation of social life (Eidlin, 2014, p. 1047). The question lies in between the push and pull of possibilities and hindrances to class formation: platform labour structures and greater social atomisation that can erode the basis for class identities vis a vis the declining work protections and growing inequality that can create new possibilities for surfacing class identification and struggle.

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This chapter draws inspiration from the scholarship examining new forms of identification and struggle amid the precarity of digital labour (Beck & Brook, 2020; Englert, Woodcock, & Cant, 2020; Lehdonvirta, 2016; Tassinari & Macarrone, 2019; Wood & Lehdonvirta, 2019; Wood et al., 2018). In examining the 'cultivation of mutual affinities and associational bonds' in the spheres of workers' everyday lives (Beck & Brook, 2020, p. 4), I explore the key characteristics of class formation in the context of labour platformisation – marked by placelessness, flexibility, and informality. The aim is to broaden the labour movement agenda by opening up opportunities for investigating new scales and spaces beyond the formal workplace and the involvement of neighbourhoods, online communities, and local institutions while also challenging the notion that informal and precarious workers are 'unorganizable' (Chun & Agarwala, 2016, p. 635).

I explore emerging class relations among Filipino cloudworkers given the mutually intersecting layers of technological, national, social, and interracial relations that shape worker subjectivity, making cloudwork akin to overseas migrant labour but with a distinct spatio-technical arrangement. I draw from a four-year digital ethnography to understand how Filipino cloudworkers deploy an assemblage of conditions that enable them to survive and organise within the constraints of the world's platform labour market. The fieldwork involved in-depth interviews with platform workers and industry associations, participant observation in Facebook groups for online freelancers and in related events and reviews of government pronouncements and policies for platform labour.

I will argue that cloudwork, like labour migration where the State plays an instrumental role in promoting and facilitating, reinforces the view of class structures still as national formations. Imbibing a 'techno-entrepreneurial spirit' driven by the combined rhetoric of the State and industry influencers towards digital labour, cloudworkers embrace their distinct identity as world-class 'online professionals', differentiating themselves from other 'regular workers'. In this techno-global workplace, national and local attachments are also deepened as Filipino workers find relational spaces of identification amid competitors and clients from other countries. Yet asymmetries emerge and these class hierarchies are shaped by the workers' (in)capacity to negotiate the technological, national, social, and interracial dimensions of cloudwork and which influences their sense of control and agency over their work. I will discuss the inter-relationships between and across these categories highlighting how the experiences and narratives of influencers, worker-agencies, and specialised workers are cascaded to shape the digital labour imaginaries of the majority of Filipino platform workers and aspirants.

2. Class formation in the platform economy: a Gordian knot?

Class identities are important because movements based on class identities have been viewed as important agents of historical and political change. The working class, by virtue of its structural position within capitalist production, has led the struggle for a more equitable society while also standing to gain the most from such transformation. But how and why do individuals come to identify as members of a particular 'working class'? What forms of organising mobilise and express class identities? Workers involved in one workplace will not necessarily feel a common bond with workers in the same workplace. While workers share oppressive conditions, they might also not necessarily find common identification and organise collectively to address those working conditions (Eidlin, 2014).

The contemporary labour environment underscored by the platform economy presents important challenges for developing collective feelings of identification and reciprocity among workers. This is particularly more salient for cloudwork because labour mobility and geographic

differences in work location through work-from-home arrangements, coupled with high levels of occupational and income diversity, pose unique challenges for collective identity-building (Lehdonvirta, 2016; Wood et al., 2018). The transient nature of transactions for freelance and project-based digital workers, which is based on individualised and small/immediate tasks, make gig workers' attachment to the job fluid and unstable (Howcroft & Bergvall-Kareborn, 2019; Wood, et al., 2019), that can make resistance with long-term perspectives seem untenable. This diversity in the immersion and commitment of workers can create diversity in workers' concerns and levels of commitment toward advancing such concerns. Moreover, the absence of formal employer-employee relations can lead to 'problems such as identifying exactly who the employer is and raises questions as to who is to be bargained with' (Howcroft & Bergvall-Kareborn, 2019, p. 32). Given this ambiguous nature of employment relations, workers tend to diversify the target of their demands, as well as the nature of these demands (Chun & Agarwala, 2016). Traditional avenues for addressing unequal employment relations are also perceived to be elusive as digital workers are normally excluded from regulatory frameworks that enable collective representation. These conditions appear to align with presumptions about the 'decline and fall of social class', advanced by scholars (i.e. Nisbet, 1959) as early as the mid of the century. When service and knowledge sector jobs replaced the industrial manufacturing jobs of old jobs, work conditions became more fluid and fluctuating to be inconducive for class formation (Nisbet 1959, p. 15; Eidlin, 2014). The increasing social and geographic mobility of workers facilitated more individualised activities and unique socialities that created greater imperatives for more individualised concerns such as self-actualisation (Inglehart & Rabier, 1986). This is accompanied by the decline in trust in large institutions, including labour unions, throughout the industrial world (Ofreneo, 2013).

Further, the internationalisation of global value chains and ensuing fragmentation of workplaces driven by technological development further emphasised entrepreneurial values (Gandini, 2016). The rise of more contingent forms of work and the accompanying erosion of traditional 'career ladders', are seen to make individuals see their work-life trajectories as tied to more 'entrepreneurial actions' rather than to organisational structures (Lehdonvirta, 2016; Wood & Lehdonvirta, 2019; Wood et al., 2018). Further, the 'freelancer identity' coupled by the discursive work surrounding the labelling of cloudworkers as 'entrepreneurs' and 'consultants' – pushed by either government, platforms, or embraced by the workers themselves – further poses challenges for social formation. Following the neoliberal ideology of entrepreneurialism that marked much of contemporary labour, platform workers are expected to overcome the challenges and channel entrepreneurial values to thrive in competitive labour markets by themselves (Wood et al., 2018; Lehdonvirta, 2016; Soriano & Cabañes, 2020b).

Yet the precarious conditions of platform work have spurred some workers to engage in collective identification and collaborative and communal practices. As such, possibilities for new models for identification and collective organisation are being explored in a growing number of works (Lehdonvirta, 2016; Soriano & Cabañes, 2020b; Tassinari & Macarrone, 2019; Wood & Lehdonvirta, 2019; Wood, et.al, 2018). Some modest and alternative forms of collective organising have also been documented, with social media groups taking on a prominent role (Bryson et al., 2010; Heckscher & McCarthy, 2014; Howcroft & Bergvall-Kareborn, 2019; Englert et al., 2020, Soriano & Cabañes, 2020b). Yet it remains contentious whether this exponential increase in membership on social media platforms, alongside possibilities for user-generated content, can be construed as an expression of emerging class formation useful for productively 'structuring of worker debates' (Bryson et al., 2010, p. 42).

Connected to debates about the nature of class formation in the contemporary labour environment pertains to informality which also underscores platform labour. Standing (2011)

criticises labour informality as an ambiguous theoretical construction, and advocates the concept, the 'precariat', as a 'dangerous class'. Standing's analysis, however, has also been criticised (See Breman, 2013; Smith & Pun, 2018) for defining the precariat in the class structure against a standard of formality that mostly existed for the West, and more specifically for post Fordist states (see Munck, 2013, p. 752). A 'class in the making', the 'precariat' is underscored by the absence of the dimensions of 'labor security' such as stable occupational identity, security of job descriptions and career paths, the safety and regularity of working conditions, the security of income over the life course, and the lack of a collective voice, with which to advance claims (Standing, 2011).

Defining the precariat as lacking the security of employment of the 'salariat' has been argued to make 'for a problematic designation' (Smith & Pun, 2018, pp. 601–602), and this stress for divisions between the 'salariat' and the 'precariat' undermines the possibilities of blurred lines between the two for much of contemporary labour conditions, as well as the potential for solidarity among them. As I will show in later discussions, many Filipino cloudworkers embrace the flexible and informal conditions of cloudwork while shuttling back and forth with regular employment (Bayudan-Dacuycuy et al., 2020). They also fluidly move from one 'occupational identity' to another while embracing their unique identity as 'online freelancers'. Moreover, the assumption of employment and income insecurity as a source of danger undermines the reality that in much of the Global South, such is the 'always already existing condition' for most workers in systems where poverty and exclusion are inherent features (Munck, 2013, p. 751). As other scholars have argued, the critical question about class formation resides not in formal/semi-formal distinctions of workers vis-a-vis the state but in their relative ability to mobilise a shared identity and act collectively in relation to their grievous experiences as workers in capitalist labour processes (Smith & Pun, 2018)

3. Four dimensions of class identity: class relations among Filipino cloudworkers

I now revert to the basic question of how a class is constituted. As Smith & Pun (2018, p. 603) ask, 'What are the objective and subjective factors in defining a class, and if subjective factors usually refer to class consciousness and class action, what is the relationship between structure, consciousness and action' in the context of platform labour and cloudwork? For those operating within Marxism, class identity is tied to the process of class formation, where individuals develop a sense of belonging to a given class through shared experience, interests, belonging, and relations. The theorising on class formations highlight its objective and subjective dimensions (Eidlin, 2014; Smith & Pun, 2018). The objective dimension pertains to the material, social, technological, and economic conditions that shape workers' everyday experience and includes workers' coming together in relation to the forms of production and the nature of their work. Yet the second component, or the 'subjective' factors, where members develop shared identification and perceptions of their common interest, are equally crucial to the development of 'class consciousness', or workers' understanding of belonging to a class (Smith & Pun, 2018). The subjective dimension pertains to people's understanding of the relationship between their material conditions and everyday life. How people understand that relation in turn shapes the manner and degree to which people will collectively organise to improve their life situation, that can lead to class struggle (Eidlin, 2014, p. 1045).

Katznelson (1986) further expanded the objective and subjective dimensions by identifying four interconnected 'levels' of class that highlight its processual and relational nature: 'those of structure, ways of life, dispositions, and collective action' (p. 36). This expansion in

the categories for class analysis aims to arrive at accounting for differences and explanations across national contexts. Engaging Katznelson's fourfold analysis of class, I will examine, at the objective level, the 'structure' of capitalist economic development in the context of labour platformisation and more specifically cloudwork, where relations of production and dynamics facilitate a particular form of labour subjectification. Secondly, I pay attention to 'ways of life', examining how those basic dynamics shape the social relations among Filipino cloudworkers, highlighting how workers make sense of the ambiguous and challenging conditions of platform labour through everyday online and in-person interactions that allow them to generate affinities based on shared experience. I then examine 'dispositions' in terms of Filipino cloudworkers' imaginaries about digital labour. I pay attention to how they understand and embrace the label 'online Filipino freelancers', driven by the discursive work of the State, the media, and industry elites, and spotlighting the structures and social relations that shape their ways of seeing their work, identity, and vision for themselves as a particular kind of workers. It has been argued that class identities emerge not only from actions between members of the same class, but from interactions with members of different classes. Echoing Weber, Eidlin (2014, p. 1049) argues that the interactions – physical or otherwise – between different classes surface class identification but also 'cultural distinctions that create status hierarchies'.

I will show that platform workers' interactions with other workers, including their reflection of their past lives as 'office workers', contribute to affirming not only their difference from other kinds of workers, but also their work choices. Yet class consciousness does not constitute only an awareness of one's own class interest, but it also underscores deeply shared views of how a class should be organised in order to advance common interests. This leads us to the last dimension, or the forms of 'collective action and organization'. This pertains to how cloudworkers come to act together based on shared structural positions, ways of life, and dispositions. In arguing for class formations still as national formations in the Philippine platform economy, I will show that the history of positioning the Filipino as a global service worker plays a crucial role in the nature of class formation of Filipino cloudworkers and the collective organising that emerge. This is discussed amid the connectedness of global, national, and technological regimes, as well as interpersonal relationships among workers in the platform economy.

4. Platform labour as structure

Labour platformisation pertains to the socio-technical assemblage underpinning new work arrangements where workers obtain gigs from digital labour platforms such as Upwork or Onlinejobs.ph. Cloudwork platforms perform the labour matching role between workers (many based in the Global South) and potential clients, often based in the Global North (Graham & Anwar, 2019). Through transactions in labour platforms, clients get to take advantage of the relatively low average wage and high English language capacity in low-income countries such as the Philippines but would not want to deal with 'the relatively higher cost of doing business' (Ofreneo, 2015, p. 118). Platform conditions are markedly different from other kinds of labour arrangements that have persisted in the Philippines. Here, workers have no direct employer and employee relations with their clients. Instead, they are categorised as 'independent contractors' or 'users' of a platform, paid per gig, and their conditions of work (e.g. entry, bidding, rates) are bound by the platform's terms of service that can be updated without negotiation (McKenzie, 2020; Howcroft & Bergvall-Kareborn, 2019; Wood et al., 2019). While such arrangements may seem to be similar to other contractual and informal labour arrangements that persist in the Global South, the technological mediation of labour presents unique conditions that shape the subjectivity of workers engaged in the platform.

As intermediary agents between workers and clients, platforms determine the rules of interaction within their own digital ecosystem unleashed through the working of algorithms (McKenzie, 2020; Wood, et al., 2019). Platforms visibilise and categorise job information submitted by clients and profiles submitted by workers on the platform and based on generated content (i.e. client ratings, worker bids, job completion details, ratings, among others). Beyond performing the matching role, platforms determine how entry is gained, what contracts and prices are allowed, what information about workers will be exposed to clients and useful for future transactions, whether equity will be factored into rating mechanisms, or whether complaint mechanisms are embedded in the design. Platforms also have different policies on how many jobs a worker can bid on, as well as varying fee cuts for every transaction/project. Clients rate the workers for each project and these accumulated ratings constitute the workers portfolio, aggregated from user data, and made visible by the platform to clients. In turn, this portfolio also determines the worker's chances of getting hired again. Platforms also extract a commission from each transaction while generally devolving risks to workers. In our interviews, workers would complain about the increasing fee cuts, the lack of mechanisms for redress should they get unfairly treated or unpaid, or abrupt policies that control job bidding mechanisms (i.e. imposition of *'Connects'* in Upwork), to which they have no control over.

5. 'Ways of life'

Despite the controls inherent in the design of platform labour as discussed in the previous section, many workers are attracted to its promises of 'flexibility' and 'limitless mobility' (see also Soriano & Cabañes, 2020a). Especially in a country with severe traffic conditions that consume workers' energy from the daily commute and where fulltime employment does not necessarily guarantee high pay nor the provision of labour safeguards, many workers we interviewed saw platform work as a viable option. Attached to the promises of flexibility – or being able to do the work anywhere and at any time – they also perceive platform labour as a step towards economic mobility because the flexible arrangement allows a worker to move from one type of job to another, learn one skill to the next, and achieve limitless earnings depending on how hardworking or entrepreneurial one can be. Where regular office work pegs their salaries vis-a-vis work that can expand depending on a boss' whims, they place value on the capacity to earn for every piece of work that they do in cloudwork and be paid in dollars at that.

Yet attached to its 'flexible' conditions is the automated nature of platform labour, which is a source of great ambiguity for cloudworkers. This shared experience of ambiguity and mechanisms for coping created important pathways for their collective identification as a class. Unlike regular employment where human resource managers or agents (as in the case of labour migration) lay out the detailed steps for hiring, promotion, and the overall nature of a job, a worker embarking on getting a gig from labour platforms needs to navigate a fully automated environment with a suite of work opportunities by nature of gigs on display. Before one gets to transact with a person (i.e. a client) and experience human sociality, one needs to navigate a digital environment of buttons and tabs, and get past the system's evaluation of one's portfolio and project bidding mechanisms.

Despite government pronouncements promoting digital labour as a solution to unemployment, mechanisms for assisting workers in navigating the ambiguity of platform labour are limited. The government offers technical skills training through its *DigitaljobsPH* program across the country, and although many workers have benefited from this, such does not encompass the crucial sense-making that cloudworkers need to enter and thrive in this industry. Not only is the process of engaging in platform labour fully automated, but a worker also needs to present oneself and

one's skills in a compelling manner and in a foreign language, determine the rate for each project, discern legitimate platforms and clients from scams, and cope with foreign client's demands and work standards that may vary from one to another. Some workers entering the platform economy may not have educational or professional training for gigs that they are eyeing but are compelled to try their luck, believing that clinching projects is possible with the 'right recipes for success', as expressed by the celebratory news and pronouncements about online freelancing.

Industry elites put together dispersed information useful for any aspiring and current freelancer to navigate the labour platform environment and share aspirational stories of success. They do this through free and paid coaching sessions on social media (e.g. Facebook and YouTube channels), books, and in-person events. Most of them current or former digital platform workers but have achieved some level of success, these coaches and 'skill-makers' (Soriano & Panaligan, 2019) are familiar with the ambiguity of shifting into platform labour from regular full-time employment, the pernicious conditions yielded by the platforms' design (i.e. labour arbitrage, the platform's socio-technical system of rating workers) and have been exposed to the difficulties of working with foreign clients. By initiating face to face meet-ups and Facebook groups, they build a community of freelance workers who consider themselves as also forming an identity or belonging to each other. Such emerging sense of identification operates to sustain interest and exchange of information that help workers survive the precarious conditions of digital labour on an everyday basis.

As a space where workers articulate their everyday experience as cloudworkers, 'ambient solidarities' in these social media spaces function to affirm their shared identity (Soriano & Cabañes, 2020b). In these spaces, workers ask questions about how to craft a compelling portfolio, what platforms offer lower fee cuts, how to avoid scams, or how to negotiate with demanding clients, and share what strategies worked for them. Yet they also engage in mundane talk that expresses their everyday work conditions – displaying photos of themselves working with their children at home, sharing selfies of their 'home office', or 'accompanying' each other in late-night work with quotes and memes characterising 'online Filipino freelance life'. These casual socialities facilitate collective identification rooted in everyday talk and self-help, and which leads to overcoming individualisation and developing a shared consciousness about issues concerning their distinct work choice.

Becoming the site of their work-related relationships, it is in these spaces where they articulate what makes them distinct workers, often pointing out how they are 'lucky' to be enjoying flexible work conditions and incomes in comparison to other workers. Their 'intense awareness of each other' and their common experiences, the sharing of knowledge and strategies, and the capacity to view, search, and learn from everyday talk allows them to form a 'sense of shared identification critical for expressing and affirming shared values' (Soriano & Cabañes, 2020b, p. 8). A key feature of these socialities is the tension between their celebration of platform labour as a viable and legitimate work option that allows them to affirm their aspirations, while recognising its challenges and exchanging strategies to thrive amid platform controls. Despite what may appear as weak ties and fleeting socialities facilitated by the connective features of social media, geographically dispersed workers enact a sense of identification and allows for 'ways of life' among cloudworkers to be visibilised as a connective force.

6. Disposition as 'tech-savvy class service workers'

In this section, I will discuss the disposition of cloudworkers [identifying themselves as 'online Filipino workers' (OFW 2.0) or 'online Filipino freelancers' locally] as a 'tech-savvy class of service workers' shaped by the historical, economic, and cultural circumstances surrounding

the Philippine labour economy. This includes, first, the valorisation of BPO and technology-related work and recognition of Filipinos as distinct global knowledge service workers by the State along with prevailing experiences of precarity, unemployment, and labour informality in the country.

The growth and popularity of BPO and a long tradition of government pushed labour export strategy is crystallised by a 'development policy of brokering labor' amid the 'dislocations of neoliberal globalization' (Rodriguez, 2010, p. 142). In the last decades, the Philippine government has pushed the labour migration of Filipinos to become 'world-class service workers', branding them as 'modern-day heroes' despite the precariousness associated with such work. Aligned with increasing global connectivity facilitated by new technology, the State continually pushed its citizens into the global economy by embracing global outsourcing as a job-generation strategy (IBPAP, 2020). Yet although BPO work offered workers viable employment, acceptable pay, security of tenure, as well other benefits, research has shown the precarity of working conditions characterised by long hours, mental and emotional stress, constant night shifts, and mandatory overtime and holiday work (Fabros, 2016). Eventually, platform labour proved to be an attractive alternative for many workers who experienced discontent in BPO but felt they can carry over skills gained from BPO work to cloudwork.

Platform labour is being promoted by the Philippine government not only to address the needs of the unemployed and marginalised groups but as a complement to other forms of BPO work, a catalyst for urban and rural development, and even an attractive option for new graduates, people with disabilities, and workers from the countryside. The government's celebratory rhetoric is further amplified in the media:

> Freelancing allows you to take control over how you work (whenever, wherever). . . . Given the degree of freedom that freelancing gives, freelancers are able to spend more time on the most important aspects of their lives. Like taking care of your health, raising kids, socializing with friends and family more and the like. . . . Freelancing is the way of the future for human resources. Hundreds of Filipino success stories are available online from taking a shot at freelancing.
>
> (V. Go, 2019, n.p.)

The pervasive informality in the country offers an important context for cloudwork's attractiveness and palatability. The Philippine Labor Force Survey data reported that around 38.3% or over 1/3 of Filipino workers are in informal and vulnerable forms of employment and likely do not have access to social protection and therefore at risk during a crisis or shock (ILO, n.d.). They are involved in numerous micro and informal income-generating activities such as hawking, vending, reselling, local transport, or unregistered repair and personal services (Ofreneo, 2015). Philippine labour scholars note that this estimate is likely low, especially as the government has no mechanism to account for all informal workers (Ofreneo, 2013, 2015). For many Filipino cloudworkers, the informality tied to cloudwork is not necessarily a crucial issue especially most other opportunities available to them, if at all, also represent informality or precarity. The growing informal sector is also telling of the workers' drive towards self-realisation amid the shortcomings of public institutions. Where the state is unable to fix long-term employment and labour issues, workers simply have to 'create opportunities for themselves' when these are not available. And when they start to earn dollars while in the comfort of their homes, it does not matter to them that they do not have a 'stable occupation' nor other benefits. Thus, while the literature may brand them as a 'precariat class' (Standing, 2011) or joining the 'race to the bottom' (Semuels, 2018), cloudwork allows them to live middle class lifestyles, such as sending

their children to private schools or buying a car. They get to exchange these perspectives in social media groups, helping affirm their identity and work choices. The ongoing pandemic is also increasingly pushing platform labour into a mainstream work option given the thousands of displacement and with firms cutting losses through outsourcing tasks (Bayudan-Dacuycuy, et.al, 2020).

These lead to Filipino cloudworkers seeing themselves as a 'distinct' class where their characteristics as historically recognised service workers of the world are translated to their being preferred workers in platform labour (Soriano & Cabañes, 2020a). The combined technological and global embeddedness of cloudwork is also an important factor to consider in the analysis of their disposition as 'world-class tech-savvy workers'. In the Philippines, medicine, science, engineering, and computer technology are overall seen as lucrative and attractive fields. Many workers take pride in their tech-savviness and the capacity to expand digital skills. Alongside the pride of being tech workers is the recognition of working for a global clientele, which brings workers closer to their imaginaries of being at the centre of the global digital economy. This is very much tied to the Philippine postcolonial condition of framing success in terms of foreign standards and closeness to the global centre (Soriano & Cabañes, 2020a). In Facebook groups, they brag about 'established friendships' with their foreign clients, displaying photos of their visits to the Philippines along with gifts, bonuses, or vacations as gratitude for a job well done. In comparison to overseas Filipino workers, many of whom are involved in care-related or cleaning jobs that, in freelancers' view, are marked by drudgery, many cloudworkers consider themselves lucky and, overall, a class above these kinds of workers. Discourses in the media, as well as by freelance workers, also highlight their class distinction:

> You don't necessarily want to become an OFW – Overseas Filipino Worker, you now have the option to be an OFW 2.0 – Online Filipino Worker. Instead of slaving at outsourcing firms, you cut through the middleman and become an outsourcing firm yourself. . . . Because of these BPOs or KPOs or Online-Homebased Freelancers, the capacity and access to higher income is unlocked.
>
> (I. Go, 2019, n.p.)

Some freelancers were former overseas workers, many of them women, who have decided to return to the country to clinch gigs from platforms for these same reasons. When asked if they would consider returning to regular employment or overseas work, cloudworkers would often affirm their choice, expressing pride in platform work and their earning capacity while being able to sustain their domestic nurturing roles. As found in our ethnographic interviews, some gig workers earn better than their previous full-time jobs, despite speaking about labour seasonality and other challenges marked by platform work. This is also echoed by the results of a larger scale survey conducted by the Philippine Institute for Development Studies (Bayudan-Dacuycuy, et.al., 2020) which found that their average earnings are higher than the country's minimum wage, and the earnings of cloudwork professionals who perform specialised platform tasks can be comparable, if not higher to the basic pay of other professionals in the Philippines (Bayudan-Dacuycuy et al., 2020, pp. 10–11; see also pages 6–8). Further, cloudworkers believe that their earning can expand in proportion to the entrepreneurialism or savviness they pour in, such as handling a handful of projects at a time (even as this may lead to overwork) or gaining the loyalty of generous clients, allowing them to earn sufficiently to cover for the absence of insurance benefits or periods of low demand.

Finally, Filipino cloudworkers establish a sense of affinity, but this affinity does not appear to extend to their foreign counterparts. This can be drawn from how Filipino digital workers

positioned themselves in the global competition, comparing them to workers from other countries 'who don't speak English as well' or 'not as attentive to the need of foreign clients'. Situating themselves within a long history of global service workers valorised by the state, experienced workers would emphasize that 'Filipinos are preferred workers' in online freelancing and should confidently demand higher rates, believing that they possess traits that uniquely match the requirements of digital labour (Soriano & Cabañes, 2020a).

7. Collective organisation

Aside from solidarities expressed in social media groups, cloudworkers can be seen to mobilise collectively towards particular aims. Although better work conditions for freelancers is the broad aim, these are expressed in different ways.

One such articulation is through a national cooperative, which extends in-person and social media solidarities into a formal organisation. FOPSCO, or the Filipino Online Professionals Cooperative, is a national cooperative of online Filipino freelance workers which aims to 'develop highly skilled and globally competitive online Filipino professionals', as the 'preferred service provider of local MSME's and international clients' (FOPSCO, 2022). Notably, their self-categorisation as 'professionals' denotes their proud identity as freelancers capable of taking on more specialised tasks and highlights the independent nature of their work vis-a-vis regular workers. Any cloudworker can be a member of FOPSCO. As a coop, FOPSCO allows its members to own shares that makes them eligible for training courses designed by industry leaders familiar with the internal challenges and ambiguities of platform work. A key advanced training that FOPSCO offers is on how freelance workers can transition into 'agencies'. These are platform workers who manage to secure large projects and loyal clients from the platforms and outsource parcels of their projects to a team of other workers. They also do 'job pooling' where they assemble members from the coop under an industry leader to bid for large projects from known labour platforms. Knowing well that many Filipinos get stuck in microwork – or small gigs unable to command competitive rates, FOPSCO believes that this strategy helps cushion new entrants from the blows of increasing competition by working with industry leaders who can help negotiate projects and rates for them. When these workers bring their projects into the cooperative and hire members to work for them, they can earn a 'patronage fund'.

Another form of collective organisation is expressed though the platform coop model. Using the platform logics but challenging traditional models, platform cooperative formations make central the use of technology to support the autonomous self-organisation among workers, aiming to embed principles of shared ownership, decent pay and income security, transparency, appreciation, and worker protections, among others, in platform design (Scholtz, 2017, pp. 175–185).

In the Philippines, locally formulated platform cooperative *WrupUp* structures the role of technology in advancing their conceptualisations of fair or good work. Established by cloudworkers with geographic roots in Iligan city in Southern Philippines, WrupUp aims to 'distribute gig work in ways that are fairer and kinder to workers', while allowing the platform to 'sustain the local community of freelancers'. As a labour intermediary, WrupUp also assembles teams from their pool of freelancers to bid for larger projects. Data generated from its platform's labour matches are used to recommend the top freelancers most suitable for a client's demands, while also helping them distribute opportunities to members in their network. Those members who remain unmatched with clients are offered training to help them attract clients. WrupUp does not charge a joining fee, and when they are able to facilitate a match, the platform charges a 5% service free, a lower percentage in comparison to other platforms. Another feature in

WrupUp's platform design is the deduction of a percentage (2%) from a client's payment that will be placed in a 'trust fund' useful for a freelancer's future or emergency needs. WrupUp's socio-technical intervention is shaped by the spatial boundedness of their experience as platform workers and affinity to their local roots. The common context of place presents an opportunity among skilled workers with limited domestic opportunities, but also served as a fertile ground for developing class consciousness. There is a local backbone that drives platform labour in the grassroots albeit not easily visible amid the power of platforms and their algorithms.

Open resistance is not the only form that class formations take, and we need to attend to the diverse ways that workers experiment with practices that challenge the constituted social order. In the Philippine platform labour context, radical action is not (yet) the norm among platform workers, at least not in terms of worker walkouts and boycotts of digital platforms that we can observe in neighbouring countries or among courier or food delivery platform workers (i.e. Buckley, 2020). While Filipino workers are cognisant of the precarious conditions surrounding platform labour, they are immersed and are highly dependent on the possibilities that these bring amid the lack of better alternatives and broader structural challenges in the local labour economy. Where unionising is also becoming a challenge for this category of workers, it is important to recognise how these local initiatives identify pathways for workers to identify themselves as a class and attempt to configure labour in the context of platform capitalism. Yet whether in terms of ambient solidarities in Facebook groups or as cooperatives, the nation becomes central in these class imaginaries. I discuss this further in the following section.

8. 'National class structures' in the platform economy

The idea of the nation becoming a marker for the symbolic identification of its members amid the delocalisation and individualism of platform labour may appear paradoxical. Notwithstanding the interconnectedness of the global economy and the transboundary of virtual bodies that manifest in the global digital economy, class structures appear 'national' in their imagery although in reality this is configured jointly by domestic as well as transnational forces. On the base of pre-existing national identities, the re-nationalisation of class structures appears orchestrated by the historical positioning of the state vis a vis the global economy that reinforce, regulate, control, promote, and profit from platform labour. Cloudworkers perform a suite of diverse occupations, and gig workers also represent many ethnicities. But their diversity is collapsed by a sense of shared experience and imagination as a distinct class of workers – driven by domestic labour regimes and the joint rhetoric of the state, platforms, media, and industry elites – that all converge to amplify the imperatives of the platform economy. What is interesting is that despite this national character, hardly does the government see cloudworkers (and platform workers broadly) as the state's responsibility in terms of protection. While the State actively promotes the platform economy, it has not gone beyond seeing cloudwork as a job-generation strategy, with limited institutionalised mechanisms for defending the conditions of workers in this industry.

Cloudworkers' capacity to collectively identify and unite is driven not only by shared experience but also by shared language, shared sense of place, shared narratives, and shared conceptual codes that construct their ambivalent sense of pride and feelings of uncertainty about the platform economy. Amid the challenges and ambiguities of platform work, they predictably fall back on their *kababayans* (or co-nationals) for succour and companionship facilitated by online and in-person socialities, a phenomenon also observed among migrant Filipino workers (Aguilar, 2003). When faced with violence by the platform, by erring clients, or threatened by competition from freelancers from other countries, their defence of the self stands by a sense of national pride as 'world-class' or the possibility of knowing that other Filipinos have achieved success in platform

labour and are willing to stand by them with their 'tips for success'. This virtual global workplace can therefore be seen to reinforce the national identity of cloudworkers. Yet despite the role of the nation in this class formation, they do not necessarily target the state for their demands for fairer labour. As labour platforms are absolved of their responsibility for workers' welfare, it likewise allows states to do exactly the same, while benefitting in terms of better job generation numbers and boost for the economy. Cloudworkers' collective struggle is bound by their imagination as a collective force of online Filipino workers but are compelled to look inward, charged by entrepreneurial values to come together to solve their own problems.

In this techno-global workplace, national and local attachments are deepened as Filipino workers find relational spaces of identification amid competitors and clients from other countries. Yet asymmetries also emerge and these are shaped by the workers' capacity to negotiate the technological, national, social, and interracial dimensions of cloudwork and which influences their sense of control and agency over their work. These include (1) coaches and influencers, (2) worker-agencies and tech start-ups, (3) highly specialised workers, and (4) precarious workers and new entrants, and the hierarchies underlying these categories appear to underscore the 'national' character of the class structure.

The ensuing discussion showed that the inter-relationships between and across these categories highlight how the experiences and narratives of influencers, as well as the vision of 'worker-agencies' and specialised workers, are cascaded to shape the imaginaries of the majority of Filipino platform workers who belong to the fourth category. They help construct standards and become the 'new' arbiters of taste in this sector. Cloudworkers are integrated into digital circuits that activate exchange and sales in global markets and they embody 'technocultural agency' in varying degrees depending on their literacies and negotiation of global and local spheres (Gajjala, 2013). Yet it is the layered and uneven literacies that stir more profit for those with high levels of technological literacies. Thus, the inequalities of the homeland reverberate in and underscore the 'national' character of the class structure of platform workers, making emergent class relations and the inequalities underscoring it, appear innately Filipino. Elite workers, denoted by their more privileged position due to length of experience, nature of their skills, and credibility generated through high incomes and loyal clients visualised through social media's affordances, emerge as coaches and industry influencers. They offer important help and inspiration to aspirants, attempt to develop better conditions for workers, while also reinforcing their differentiated status from the rest of them. They create aspirations for success that may not be as easily realisable for the many other aspirants who become continually dependent on their patronage. This informal brokerage structure underlying hierarchies among cloudworkers, especially manifested in the work of influencers or 'worker-agencies', would also appear to connote 'patron-client relations' that persist in Philippine economy and politics (Nowak and Snyder, 1974). Middle-class status distinctions and cultural differences that mark national class relations are replicated in cloudwork, resulting in asymmetries, but paradoxically, serve as the basis for a sense of belonging and identity to emerge as these elites drive platform labour's promises and facilitate spaces for workers to converge.

Moreover, the cloudworkers' functionality to a foreign client located in an advanced economy enables the worker and also their household to move up along the continuum of the middle classes, even as this movement is symbolic and even fluctuant. In tandem with material gains, the cloudworkers' symbolic capital is boosted as they become models of success for each other, for their teams of followers/workers, and for their local communities. In essence, the allure of material success and earning dollars legitimate the platform workers' choices, their feelings of self-worth and affinity towards each other, as well as the Philippine State's economic strategy, all

ultimately serving to legitimise global capitalism and the extraction of value from workers while reinforcing the Filipinos' character as the 'service workers' of the (virtual) world.

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31

DIVIDED UNIONISATION

Between traditional and digital labour in Indonesia

Titik Puji Rahayu

In Indonesia, national digital intermediaries have developed markedly, parallel with the growing number of its digital labour. The rise of national digital intermediaries that harness the work of digital labour tends to be perceived positively by the state as a solution for underemployment and unemployment in the country. Despite acknowledging the fact that national digital intermediaries have absorbed a large number of workers, it is far more crucial to scrutinise the welfare of this precarious labour force. Indeed, this digital labour force emerges in this country that has enduring problems regarding its traditional labour welfare. Different from traditional labours that have been organised by unions to annually perform May Day rallies, digital labour in Indonesia tends to have low awareness about the necessity of labour unionisation. Digital labour that was involved in this study literally stated that they are not supposed to join such labour rallies since they perceived themselves as 'not labour', that they are 'different from those labour'. This study takes the view of the importance of unionisation for labour advocacy. Therefore, this study aims to examine factors that have inhibited the unionisation of digital labour in Indonesia. As for the method, primary data were gathered through a survey, as well as an FGD and interviews with digital labour. Finally, the literature review was harnessed for collecting data about the history of traditional labour unionisation in Indonesia, as well as the current debate regarding the rights of digital labour.

1. Between 'traditional labour' and 'digital labour'

To begin with, this section will clarify the notion 'traditional labour' and 'digital labour' as discussed in this article. Reviewing the definitions of the two concepts is critical since there has been a debate on whether 'digital labour' can be considered as part of the labour category. Thus, while explaining how 'traditional labour' is different from 'digital labour', this section will also highlight particular similarities between the two labour forces in order to justify the relevance of considering 'digital labour' as labour.

The term 'traditional labour' used in this study refers to work that has traditionally been bounded and/or even restrained by a particular geographical area where the employers and/or means of production are located. Hudson (2001), in his widely cited publication *Producing Places*, noted how 'work has traditionally been geographically bounded' (cited in Graham, Hjorth & Lehdonvirta, 2017, p. 136). Graham & Anwar (2018) further provided examples for explaining this understanding:

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> Work has traditionally been tethered to place: a farmer tilling a field; a hunter hunting prey; a factory worker operating a machine; a homeworker cooking and cleaning in a house. All these activities have required that workers be physically proximate to the object or output of their labor.

This very close relation between work, workers and place has even created a commuter society. As argued by Bierman (1985), 'Today, the norm is for employees to drive, often lengthy distances, to work. In many respects, a commuter society has developed' (p. 10).

With the development of the internet technology, we are now witnessing how employees, employers and means of production can possibly be located in far different places on the earth (Graham, Hjorth & Lehdonvirta, 2017, p.136). We are now experiencing an era when information has been the raw materials of the production process, in that working with information can be conducted remotely (Graham & Anwar, 2018). At the industrial level, there has been the rise of digital intermediaries: 'any entity that enables the communication of information from one party to another' (Cotter, 2005, p. 2). Digital intermediaries commonly develop 'digital labour platforms' to facilitate users in producing and/or disseminating content or services. The term 'digital labour' then has been widely used to refer to workers, whether waged or unwaged, that highly depend on digital labour platforms for communicating with and conducting work for their employers or clients, often remotely.

Despite the previously mentioned differences, a prominent feature that marks the similarity between traditional labour and digital labour is the fact that they are involved in the process of commodity production. By adopting Karl Marx's Capital Accumulation Model, Fuchs (2013) explained the significant roles of both traditional labour and digital labour in the process of commodity production. As illustrated in Figure 31.1, capitalists use their money (*M*) as capital

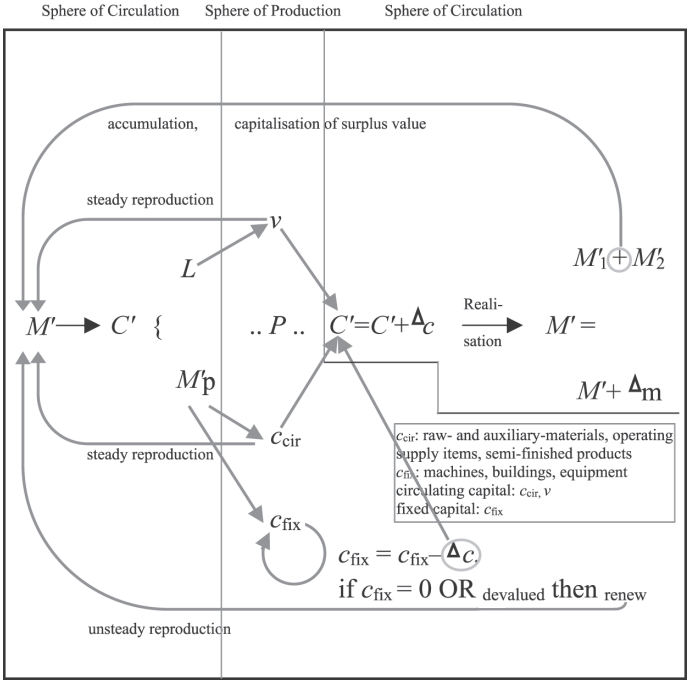

Figure 31.1 Karl Marx's model of capital accumulation.

Source: Fuch (2013, p. 215).

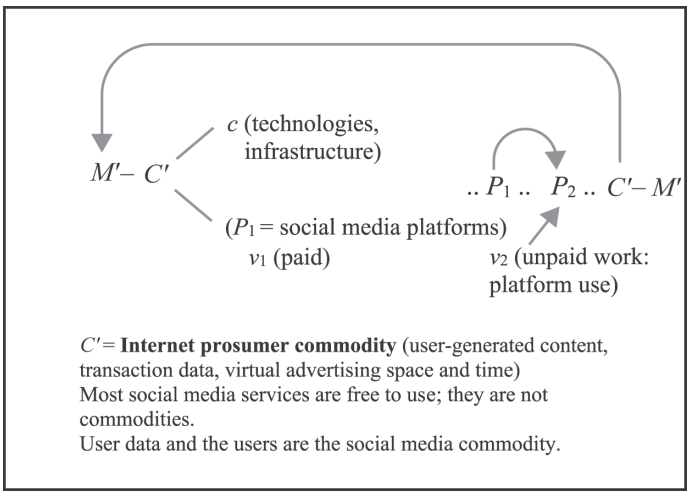

Figure 31.2 Fuch's model of capital accumulation in the social media industry.
Source: Fuch (2013, p. 19).

(*C*) to pay for labour power (*L*) and to buy means of production (*M*p), both raw materials (c_{cir}) and technologies (c_{fix}) needed for producing commodities (*P*). The commodity will then be sold at prices higher than the total cost paid for labour power (*L*) and means of production (*M*p). In this way, profit can be generated (pp. 215–216).

Fuch (2013) further adopted the capital accumulation model of Karl Marx to explain the significant role of digital labour in producing commodities for digital intermediaries. Figure 31.2 illustrates the process of commodity production and capital accumulation in social media corporations that are funded through advertising. Social media corporations transform money (*M*) to become capital (*C*) for buying technologies (server space, computers, organisational infrastructure, etc.) and paying labour power (IT specialists as paid labour). The outcome of this first stage production process (P_1) is not yet a commodity that can be directly sold to advertisers. The outcome of this process (P_1) is rather social media platforms that are designed to be used for free by users. It is only after social media users (unpaid labour) harness the digital platforms, the actual commodity (P_2) is generated, including user-generated content, user transaction data, user browsing history, and user communication behaviour. Social media corporations will then sell these data to advertising agencies at a price that is larger than the invested capital (pp. 218–219).

Based on the earlier explanation, clearly that social media users have a prominent role in producing the actual commodities for social media corporations. In this way, I perceive social media users as a type of digital labour and that they should be considered as labour. This article follows Scholz (2013) to perceive 'digital labor as a continuation of the social relations surrounding the traditional work-place'.

Furthermore, digital labour has often been addressed as 'precarious labour'. Woodcock (2017) explained that '[t]he term precarity has been used to describe the conditions of insecure employment' (p. 136). Concerning digital labour precarity, Scholz (2013) criticised that '[t]hese are new forms of labor but old forms of exploitation. There are no minimum wages or health insurance, and so far, federal and state regulators have not intervened' (p. 1).

2. Traditional labour unionisation and labour welfare

Labour unionisation has been understood as a critical determinant for guaranteeing labour rights. Unions enable workers to develop collective frames of resistance (Penney, 2004, p. 102) and to generate collective bargaining power (Song, 1999, p. 7) against state and/or company policies that undermine labour welfare. However, before any union movement can be mobilised, obviously the unions need to be established first, though unionisation is not a problem-free process. Isler (2007) identified four factors that contribute to labour organisability: (1) organisers' expectations, (2) labour market structures, (3) employers' actions, and (4) workers' union sentiments (p. 444).

Isler (2007) explained that organisers' expectation refers to the perception of individual workers about who has the capability to organise unions. A number of studies show how particular issues of race, gender, social class and education have made unionisation difficult. Often, workers' race, gender and social class have been used to assess workers' capability to participate or even organise unions. Isler pointed out how 'the sociological literature on labor organizing has exposed racism, sexism, and the barring of 'unskilled' workers from craft organizations' (p. 447).

Next, the success of labour unionisation is determined by the labour market structure. Today, labour casualisation and outsourcing have increasingly been common; the industry tends to prefer this labour arrangement, supported by state policies that legalised its implementation. For employers, labour casualisation and outsourcing can be a strategy for suppressing labour costs. Sheth (1993) noted that 'the current trend in industrial employment is thus towards a progressively greater leverage available to the employer in reducing labour cost through rationalization of workloads, modernization of technology and casualization of employment relations' (1993, p. 6). From the political economy perspective, McChesney notes that capitalism always aims towards minimum labour cost in order to generate greater profit:

> Class and inequality are built into the [capitalism] system's DNA. . . . It's that the system of making profits is predicated upon paying labor as little as possible. . . . Economics shows that firms hire workers as long as they generate revenue greater that their cost. The lower the cost, the larger the profit.
>
> (2013, p. 29)

As for the workers, casualisation and outsourcing arrangements have created precarity, in that workers have insecure employment and therefore tend to be submissive to over-exploitation in the workplace. As asserted by Bourdieu (1998), 'casualisation of employment is part of a mode of domination of a new kind, based on the creation of a generalized and permanent state of insecurity aimed at forcing workers into submission, into the acceptance of exploitation' (p. 85). In the case of Indonesia, Tjandraningsih (2012) discussed how 'labor outsourcing as the main form of precarious work in Indonesia'. She claimed that the enactment of the Indonesian Labor Law 2003 reflects how the state has sponsored a 'labor flexibility regime' (p. 403).

More critically, labour casualisation and outsourcing can potentially inhibit unionisation. According to Deyo (1997), employers tend to be aware of this potential and, therefore, intentionally adopt such arrangements to prevent the emergence of labour unions:

> In many cases, employers adopt such labor strategies [subcontracting, casualization and contact labor] in part explicitly to undercut unions or unionization drives because these strategies have the known effects of creating an insecure, floating workforce, and of encouraging a further dispersal of production to small contracted firms and households.
>
> (p. 106)

Correspondingly, McChesney (2013) argued the tendency of employers to prevent the emergence of labour unions, as they facilitate workers in claiming more incentives: 'Likewise, it is for this reason that most capitalists not only oppose unions but use their political muscle to support politicians and laws that make organizing unions more difficult, if not impossible' (p. 30). In some countries, governments are on the side of employers, as they suppress labour unions in the name of maintaining political and economic stability. For example, in Korea, prior to 1987, its 'authoritarian governments banned enterprise unions from engaging in collective bargaining' (Song, 1999, p. 7).

Interestingly, labour unionisation can also be challenged by unaffiliated workers, which we can refer to 'workers' union sentiments'. As explained by Penney (2004), conflict in labour relations is not only between workers and employers, in fact, 'there are also the potential and actual divisions within the working class itself . . . such divisions can result in a counter-mobilization by anti-union workers' (p. 89). Penney (2004) asserted that employers often harness this situation by creating anti-union frames in order to reduce union density and therefore weaken union bargaining power (p. 92).

Thus, in today, increasingly globalised economy, Ness (2005) argued for the necessity of innovation in labour unionisation strategy. Ness (2005) further highlighted the effectiveness of community-based unionisation in today's new industrial environment:

> In this new environment, traditional campaigns that depend on older industrial models of organizing are not likely to succeed. Ironically, the growth of the global economy and capital mobility has increased the relevance of city-based community organising strategies that target smaller, spatially dispersed firms that employ relatively few workers.
>
> (p. 58)

3. Traditional labour unionisation and the politics of *buruh* label in Indonesia

In Indonesia, a prominent challenge for labour unionisation is society rather negative perception of the term *buruh* (labour). This negative perception of the *buruh* (labour) label is partly due to the politics of labour labelling implemented by in Indonesian government during the New Order era (1966–1998). This section will discuss the political economy background behind labels used for addressing Indonesian labour, whether *buruh* (labour), *pekerja* (worker), and *karyawan* (employees). These labels need to be understood as products of political and economic struggles involving workers, capital owners, politicians and even the military institution in Indonesia. The politics of labour labelling in Indonesia, to a certain degree, even reflects the enduring ideological tension between Capitalism and Communism preserved by political elites.

The first labour union in Indonesia was established during the Dutch colonisation period in 1908 (Ingleson, 2001, p. 85). Scholars pointed out how, after that, unionisation had been rather difficult during the New Order regime (1966–1998). Heryanto (2005) and Farid (2005) asserted that it was during the New Order regime (1966–1998) that the term *buruh* (labour) was gradually replaced with *pekerja* (workers) and then became *karyawan* (one who strives/employees). This statement is in line with the study of Leclerc (1973), titled *Vocabulaire Social et Répression Politique: Un Exemple Indonésien*, which uncovers the semantic transition from *buruh* (labour) to *karyawan* (employees) as the labels to address Indonesian labour between the 1960s and 1970s.

Heryanto (2005) explained that during the New Order era, the term *buruh* (labour) tends to be 'used in political discourse' and 'emphasized the lowly exploited position of the workers'. Therefore, the ruling regime made efforts to replace it with the term *pekerja* (workers), which 'has no political connotations one way or the other'. Alternatively, the term *karyawan* (employees) was introduced, which has an even more positive connotation: 'A *karyawan* was, therefore, anybody who carried out the proper function of their occupation. It was meant to negate any sense of workers as an exploited class'.

Leclerc (1973, pp. 409–410) further explained how the semantic transition had involved a left-wing labour movement named SOBSI (*Sentral Organisasi Buruh Seluruh Indonesia* or All-Indonesia Central Labor's Organization) and a rival labour organisation established by the military called SOKSI (*Sentral Organisasi Karyawan Seluruh Indonesia* or All-Indonesia Central Employees' Organization) (cited in Farid, 2005, p. 169). Heryanto (2005) added that the semantic transition was then enforced by a governmental institution named the Centre for the Development and Advancement of Language in the name of promoting 'good and correct usage of Indonesian language' (p. 67). After all, according to Farid (2005), it was the New Order's anti-communism agenda behind this semantic transition from *buruh* (labour) to *karyawan* (employees):

> The anti-communist mobilizations organized by the New Order rulers culminated in the dissolution of the Indonesian Communist Party (Partai Komunis Indonesia – PKI) and the banning of Marxism by the highest state institution. To ensure that all radical political jargon was driven out of public discourse and the academic world, the regime created new terms and then enforced their usage. The word buruh was banned and replaced with karyawan or pekerja.
>
> (p. 169)

Today, both terms *buruh* and *karyawan* have been used by the Indonesian society, but rather to address different groups of labour. As explained by Haryono (2018), the term *buruh* (labour) 'has a "derogatory" connotation rather than the word of "*karyawan*" [employees], "*pekerja*" [workers], atau "*tenaga kerja*" [workforce]. *Buruh* has been stereotyped as hardworking, abusive, and tend to use more energy or muscle than their brains' (p. 25). While, the *buruh* label is normally used to address low-level factory workers, *karyawan* is for white-collar workers or office employees (Heryanto, 2005, p. 67).

4. The rise of digital labour in Indonesia

According to Graham, Hjorth & Lehdonvirta (2017), there are two factors as the key drivers of digital labour emergence: *First of all*, unemployment and underemployment in many parts of the world, and *secondly*, the increasing connectivity among society globally facilitated by the internet (pp. 136–137). In Indonesia, unemployment and underemployment are enduring critical issues

faced by the government. Statistical data from the World Bank shows that the highest unemployment rate in Indonesia was in 2007, when it hit 8.06%. Between 2007 and 2014, this number declined significantly to 4.05%. Since then, the unemployment rate in Indonesia has been hovering around this number (World Bank, 2020). With the development of internet infrastructure, the penetration of internet access in Indonesia has steadily increased, as reported by the Indonesia Internet Service Provider Association (2012) and the International Telecommunication Union (2014). However, it should be noted that the majority of Indonesian use mobile internet access rather than fixed internet connection (Puspitasari & Ishii, 2016, p. 474). This availability of internet access then contributes to boosting the number of digital labours in Indonesia.

Even though the phenomenon of digital labour is something observable in Indonesia, but unfortunately, there is not any empirical data released by the Indonesian labour authority on the number of these precarious labour forces. One thing is obvious, though: the Indonesian government embrace the emergence of digital labour, as it has contributed to lowering the number of unemployment and underemployment. Since 2015, the existence of Indonesian digital labour has been highlighted by the emergence of *Gojek* and *Grab* online drivers. The Indonesian President, Joko Widodo, once claimed to be proud of online drivers, considering them as a brave labour force that breaks traditional labour arangements to welcome the futuristic working model; '*model pekerjaan masa depan yaitu transportasi online*' (the future job model is online transportation). The president interviewed some online drivers to assess their average income and concluded that their net income of four million rupiah per month is quite significant; '*OK, masih dapat Rp 4 jutaan juga masih jumlah yang besar*' (Rachman, 2019).

In this study, a survey, an FGD and interviews were conducted to reveal how digital labour perceives their labour arrangements, their labour rights, as well as their general understanding of labour unionism and movements. The survey has been conducted between April 2020 and February 2021 to involved digital labour from various industrial sectors. There were 121 respondents participating in the survey. The majority of digital labour participated in the survey are content creators (64%) and then followed by online drivers (35%). Among the content creators, the majority claimed to conduct blogging activity (65.4%). Few of the respondents are YouTuber/videographer (14.4%), graphic designers (7.7%) and social media influencers (6.7%). This quantitative study was then followed by a Focus Group Discussion with ten bloggers, as well as in-depth interview with seven online drivers.

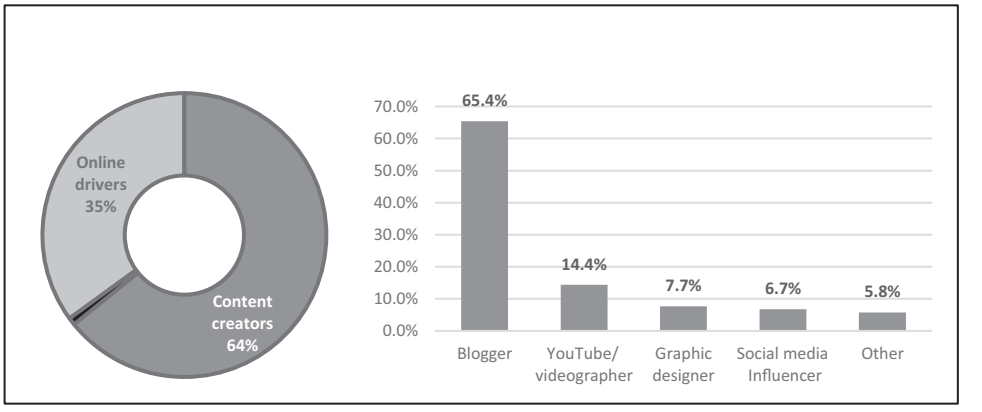

Figure 31.3 Digital labour respondents.

5. Initiation of online drivers' unionisation

As mentioned earlier, since 2015, the existence of Indonesian digital labour has become visually obvious with the presence of online drivers on the streets. Besides *Gojek*, there are seven other digital intermediaries that recruit online drivers for delivering transportation services in Indonesia, namely *Grab*, *Uber*, *Bajaj*, *Transjek*, *Wheel Line*, *BangJek*, *Ojek Syar'I*, and *Blue-Jek* (Koran Sindo, 23 September 2015). Unfortunately, even until 2019, the Indonesian Ministry of Transportation admitted to having no exact number of online drivers in Indonesia. The ministry relay on data provided by *Gojek* and *Grab*, which they recruited between 2 to 2.5 million online drivers.

In this study, 42 online drivers participated in the online survey. Demographic data obtained from the survey shows that three quarter of these online drivers are female (76%), followed by nearly a quarter of male (24%). It should be noted that the survey was equally accessible for male or female online drivers. Another point to note is that the educational background of these online drivers are mostly high school graduates (66.7%).

When these drivers were asked about their involvement in the formulation of labour incentive, more than half (57%) claimed that online transportation companies have never involved

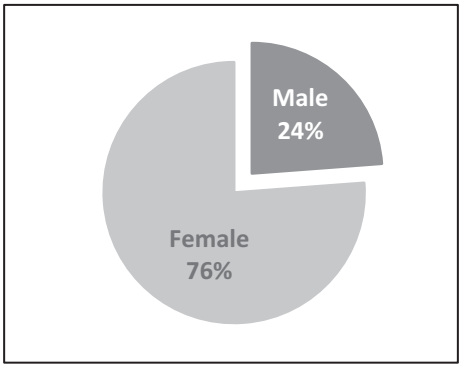

Figure 31.4 Online drivers' gender.

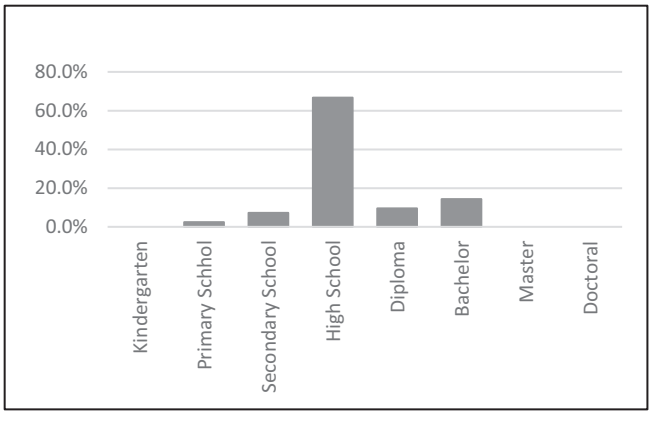

Figure 31.5 Online drivers' education.

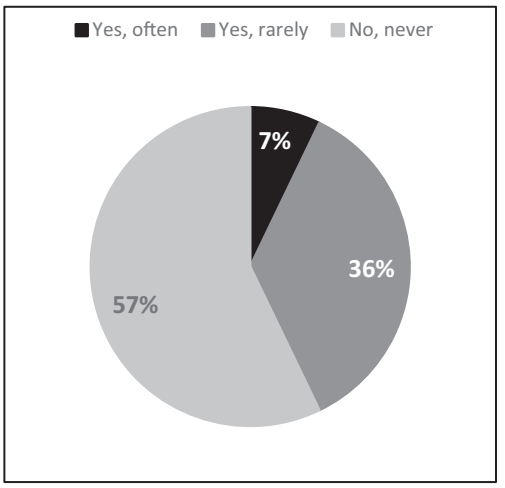

Figure 31.6 Online drivers' involvement in formulating labour incentives.

them for discussing online drivers' incentives. Subsequently, more than a third (36%) claimed to be involved but rather rarely. Only 7% claimed that online transportation companies often involved online drivers in formulating incentives. Interestingly, however, 52% of these respondents said that their income from being online drivers as sufficient, whereas 48% of the respondents said it is not sufficient.

With this statistical background I will further analyse the perception of these online drivers about unionism and its potential in assisting them for claiming better working conditions.

5.1 Traditional labour unions support online drivers' unionisation

Today there has been significant number of traditional labour unions in Indonesia. While these unions have been vocal in articulating traditional labour rights, not many however that has spoken loudly about digital labour issues. FSPMI and KSPI are unions that show concern on the rights of online drivers in Indonesia. FSPMI, is an acronym for *Federasi Serikat Pekerja Metal Indonesia* or the Federation of Indonesian Metal Workers Unions. In 2017, it was reported that a number of online drivers have joined FSPMI. Meanwhile, KSPI is an acronym for *Konfederasi Serikat Pekerja Indonesia* or The Indonesian Trade Union. KSPI was established in June 2002 has been affiliated with the International Confederation of Free Trade Unions (ICFTU) and supported by internationally respected labour organisations, such as ACILS and the ILO (Ford, 2004). Since 2018, KSPI has also been very critical in sounding online drivers' rights as labour in Indonesia.

With support from KSPI, a number of Indonesian online drivers established KATO, an acronym for *Komite Aksi Transportasi Online* (Online Transportation Action Committee) in 2018. The Chairman of KATO, Yudi Arianto claimed to have recruited around 100,000 online drivers as their members by 2019. So far, the news portrayed the Indonesia online drivers are on their way toward unionisation. This study, however, reveals potential challenges for increasing the density of online driver unions and to further mobilise digital labour movements in Indonesia.

5.2 Online drivers' tendency towards community unionism

Online drivers that are participating in this study survey reveals that very few of them (17%) had exposure to labour rights socialisation by labour unions. Indeed, when asked to mention the name of labour unions in Indonesia, only one respondent mentioned KSPI. In an interview, an online driver community organiser, Informant D, admitted to never hear about KATO. This quite surprising since Informant D has become an online driver since 2017. She has also actively organised three online driver communities: WW community, GPS community and GNR community (interview, 20 February 2021).

This lack of knowledge about labour unionism by these online drivers can possibly be rooted in their educational background, in that the majority of them (65.7%) are high school graduates. In fact, in Indonesia, labour issues are not part of high school topic of discussion. It can also be related to the fact that very few of these drivers (20%) have experience being factory workers. In Indonesia, factories are the common venue for labour activists to raise awareness about labour rights. Having lack exposure to labour rights socialisation, consequently very few of these online drivers (only 17%) have ever joining labour unions. The number further declining when these drivers were asked about their active participation in any labour rally. Only 9% of these online drivers had ever participated in labour rallies.

Even though not joining particular labour unions, these online drivers have formed local communities. Three online drivers' communities are detected in this study: *First of all*, WW which membership is restricted to female online drivers and currently have 81 members. GPS and GNR are both unisex online drivers' communities, having 129 members and 65 members respectively. This data suggests a factor that inhibit online driver unionisation is the preference for joining small local communities, rather than forming larger unions.

This phenomenon reflects digital labour's lack of understanding about 'union density' and how it determines union power in influencing labour policies. Jose (1999) asserted that 'the proportion of workers who belong to a union has been the most visible symbol of union strength' (p. 3). Boreham, Hall and Leet (1996) correspondingly explained:

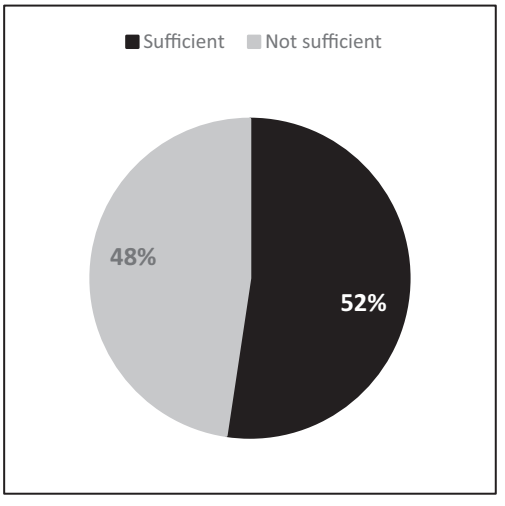

Figure 31.7 Online drivers' perception about income gained.

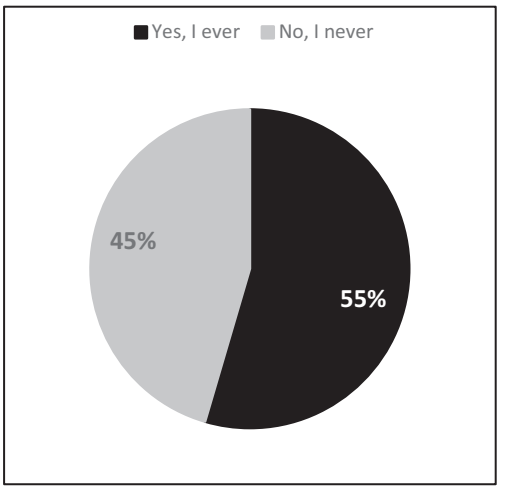

Figure 31.8 Online drivers' experience being factory workers.

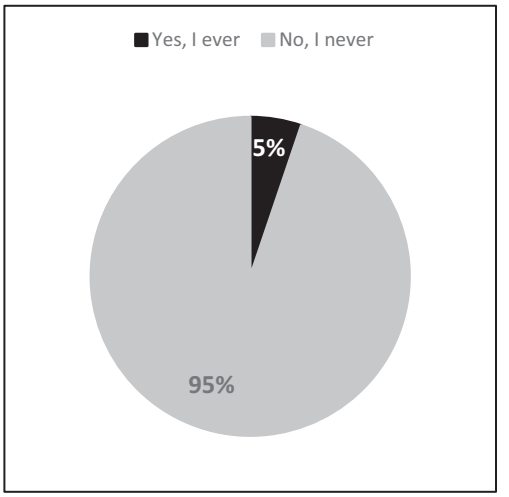

Figure 31.9 Online drivers' exposure to labour rights socialisation.

> The union density thesis argues that it is the organizational and industrial strength of unions across the economy that leads to higher levels of welfare expenditure. Labor makes its presence felt, not through the election and policies of left governments, but through the financial and numerical leverage achieved by high levels of unionisation.
>
> (p. 8)

These online driver communities can be regarded as community unionism. Correspondingly, Cranford and Ladd (2003) explained how the trend of precarious employment has triggered the emergence of community unionism. It should be noted, however, that the success of labour unionism to influence digital labour policies, to some extent, is determined by their ability to

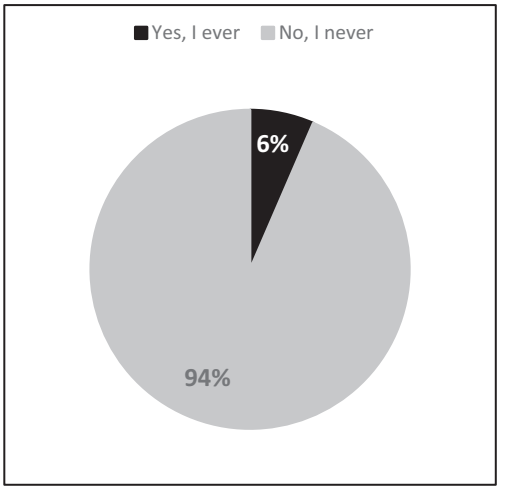

Figure 31.10 Online drivers' experience joining labour unions.

consolidate with established labour unions. Banks (1991) in his work *The Power and Promise of Community Unionism*, argued that 'the only way labor can sustain a national mobilization for economic justice is by developing the capability to organize communities around local workplace struggles. That's the power and promise of community unionism' (p. 31). After all, community unionism is 'about building the power of nonunionised workers and the broader working-class community' (Ladd 1998; Leah 1999). Thus, established labour unions, such as KSPI and KATO, will need to intensify their effort to educate and recruit online drivers to join any labour movements so that they have better bargaining power to influence digital labour policies.

5.3 Online drivers' mobility and economy inhibit consolidation

Next, a unique challenge in organising online drivers into unions is due to the mobility of this labour force. Literally, these drivers need to keep on the go in order to get sufficient earning. As explained by Informant D, most of online drivers are financially insufficient. To gain significant earning, these drivers need to keep accepting driving orders. This situation makes it difficult for community organisers to arrange on-site meetings for consolidation. Still, Informant D has tried to discipline the members of the communities by setting a rule, in that failure to attend on-site meeting for three times consecutively will result in cancellation of membership (interview, 20 February 2021).

Today, with the COVID-19 pandemic that severely hit the Indonesian society, on-site meeting among online drivers has become rather impossible. Informant D explained that prior to the pandemic, she used to organise monthly on-site meeting of online drivers. But now, it has been rather impossible. Consequently, the communities now rely on WhatsApp Group platform for consolidation (interview, 20 February 2021). This usage of WhatsApp Group for organisational communication leads to another concern over the effectiveness of online activism for labour advocacy.

Indeed, online activism or digital activism has often deemed as subordinate to physical activism. A number of scholars pointed out banal and superficial characteristic of online activism and that the effectiveness of online activism to transform or renew democratic institutions has been doubted (see, for example, Morozov 2009; Shulman 2009; Gladwell 2010). For these reason,

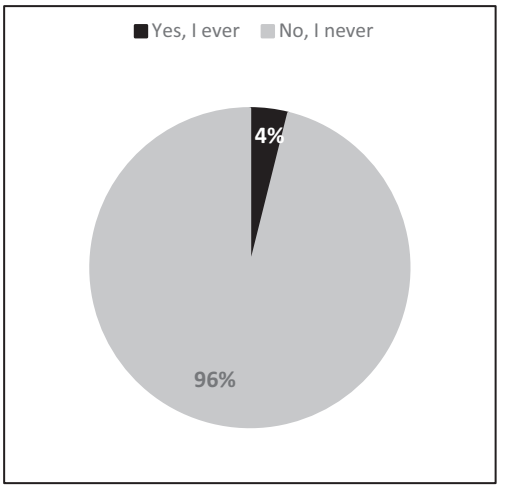

Figure 31.11 Online drivers' experience participating in labour rallies.

online activism has often been labelled as slacktivism (lazy activism), clicktivism (click activism), armchair activism and keyboard activism (Morozov 2009; Shulman 2009; Gladwell 2010).

Thus, high mobility and economic constrain have been the reason for online drivers to prefer digital consolidation. The consolidation method chosen partly explains why it is difficult for these online driver communities to transform their labour activism into more physical movements. As proven by the survey result (Figure 31.11), that almost all of these online drivers (93%) have never participated in any labour rallies. Besides that, the usage of social media for labour activism in Indonesia has been considered low. As reveals in the study by Hennida, Suwito and Kinasih (2021) on the limited usage of social media by Indonesian migrant workers for labour activism (p. 13). The majority of Indonesian migrant workers found to use social media mainly to communicate with their relatives and friends abroad, rather than for producing content related to migrant workers' rights.

5.4 Online drivers are mitra *(partners), not* buruh *(labour)*

Another factor that arguably has contributed to impeding online driver unionisation in Indonesia is the dominant discourse developed by *Gojek* company that online drivers are *mitra* (partners), not *buruh* (labour). This labelling practice was initiated by the digital intermediary at the end of 2015, which can be considered a discursive work. *Grab*, as the head-on competitor to *Gojek*, has followed the discursive strategy to label its online drivers as *mitra* (partners). The usage of the label *mitra* (partner) has also been endorsed by governmental figures in Indonesia. For example, the Ministry of Transportation, Budi Karya Samadi, in a number of events, used the term *mitra pengemudi* (partner drivers) to address *Gojek* and *Grab* drivers, while admitting that label has raised a legal concern:

> *Selama saya mengundang kementerian ketenagakerjaan sampai sekarang belum ada peraturan menteri tentang kemitraan, belum ada yang muncul karena memang masih bingung. Hubungan industrial terkait aplikator dan mitra driver itu binatang apa sih? Kan kalo hubungan kemitraan berarti ada MoU.*

> [I have discussed with the Ministry of Manpower, until now there has not been such a ministerial regulation about this kind of partnerships, they are still confused too. What kind of creature is this industrial relations between application providers and partner drivers? If is it a partnership relationship means there should be an MoU] (Budiansyah, 2020)

It is critical to note how the labelling practice has significantly shaped online drivers understanding about their position within the transportation industry. In fact, my question to a number of *Gojek* and *Grab* drivers about their participation in the annual Labour May Day Rally tend to be responded with a default answer: '*kami kan mitra, bukan buruh*' (we are partner, not labour). These online drivers perceived the question as irrelevant to them, in that as 'partners' they are not supposed to join activism movement conducted by traditional 'labour'. This finding shows that the discursive strategy by online transportation companies in Indonesia in labelling online drivers as *mitra* (partners), not *buruh* (labour), has significantly shaped the class-consciousness of these digital labour force. The discursive practice has alienated digital labour from their fellow traditional labour in Indonesia.

6. Content creators in Indonesia: toward unionisation?

We are now turning to content creators as another group of digital labour. Today, press companies globally has harnessed the advancement of internet and digital technologies by developing citizen journalism platforms. Such platform allows society members to become writers and/or videographers that produce content and share it with the wider society. The press companies will then able to capitalise the user-generated-content as well as the personal data of both content creators and reader to advertising agencies.

In Indonesia, *Kompasiana* has been known as 'the most extensive citizen journalism initiative' (Abud, 2012, p. 20). This success of *Kompasiana* cannot be detached from the fact that it was established by the leading press company in Indonesia, *Kompas Gramedia Group*. The company publishes *Kompas* (print newspaper since 1965) and *Kompas.com* (online news portal since 1995), which have been known as the most prestigious and influential journalism outlets Indonesia (Hardjono, 1998, p. 51; Hill, 2007, p. 83; Tapsell, 2015, p. 185). *Kompasiana*, which was established in 2008, claimed to have 355,000 subscribed writers by 2017, who voluntarily produce on average of 300 articles per day. As for audience exposure, Kompasiana claimed to have 26 million view per month.

There have been 77 content creators participating in the survey. Demographic data obtained shows that three quarter of content creators participating in the survey are female (74%), followed by male (26%). As for the educational background, interestingly the majority of content creators are bachelor degree graduates (61%). When these content creators were asked about their involvement in the formulation of labour incentive, more than half (52%) claimed that online transportation companies have never involved them for discussing online drivers' incentives. Subsequently, more than a third (36%) claimed to be involved but rarely. There are 12% respondents claimed that online transportation companies often involved online drivers in formulating their incentives. Interestingly, 57% of these respondents said that their income from being online drivers as insufficient, whereas 43% of the respondents said it is sufficient. With this statistical background, I will further analyse these online drivers' perception about labour unionism.

6.1 Bloggers form communities instead of unions

As shown in Figure 31.3, 65.4% of content creators involved in this study are bloggers. Therefore, an FGD was conducted by involving ten bloggers who are considered as prominent writers of *Kompasiana* and other blogging platforms in Indonesia. Even though FGD

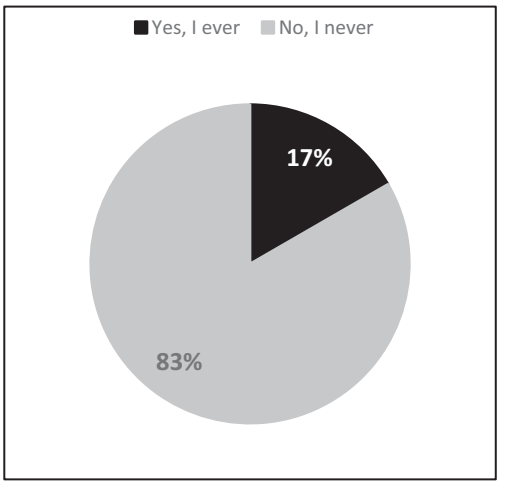

Figure 31.12 Content creators' gender.

participants were randomly selected based on their extensive writing profiles in citizen journalism sites, it was so lucky for researcher to have a blogger community organiser, *Blogger A*, among the FGD participants. Indeed, most of FGD participants know each other as they are members of the blogger community. *Blogger DK* admitted that she started to join the community because of *Blogger A*, and that she learned a lot about blogging strategy from *Blogger A* (FGD, 5 August 2020). Until today, there are around 70 blogger members of this community (*Blogger N*, FGD, 2 August 2020).

Blogger A argued that joining blogger communities is a prerequisite for bloggers existance. Because through communities, bloggers share job orders, share tips for individual bloggers to avoid fraud. Blogger communities can technically help individual bloggers to arrange payment with clients. According to *Blogger A*, the most common problem faced by bloggers are payment issues (FGD, 5 August 2020). *Blogger DK* agreed and explained how the community can support bloggers that experience payment problems with clients; the community members help by simultaneously reporting the tricky clients to social media companies (FGD, 5 August 2020). *Blogger NR* added how the community also provides mental support for bloggers experiencing problems with clients, and become friends and discuss these with fellow bloggers (FGD, 5 August 2020).

From the earlier explanation, clearly the blogger community focuses on empowering its individual members, by sharing tips on getting blogging orders, setting agreements with clients, and receiving the payments. This orientation is different from the common agenda of unions, which is representing their members in bargaining for better working conditions to companies, as well as performing an advocacy role to influence industrial and labour policies formulated by the government.

So how is the potential for such a blogger community to grow into a union? In my view a prominent barrier for such transformation so far is the understanding of individual bloggers and community organisers about labour rights and unionism. Indeed, when asked about the potential for their community to become union, *Informant A*, rather unsure about why they might need to have such transformation. Claiming that as bloggers, they do not have any particular interests as those who joining unions (FGD, 5 August 2020).

The lack of understanding among content creators about unionism and their low interest in joining labour movements have been supported by the survey data. As presented in the following graphs, even though almost half of the content creators (45%) had never worked in factories, very few of them (only 5%) had exposure to labour rights socialisation. Correspondingly, very few of them (6%) has the experience of joining labour unions. Unsurprisingly, therefore, that very few of these content creators (4%) have ever participated in labour rallies.

The tendency for bloggers to disregard labour unionisation cannot be detached from the history of journalist unionism in Indonesia. In fact, most of the bloggers involved in this study were previously full-time journalists of Indonesian media companies. The following section discusses Indonesian journalists' reluctance towards unionisation.

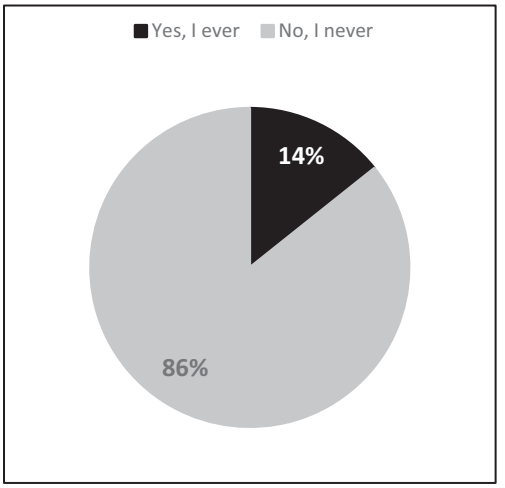

Figure 31.13 Content creators' education.

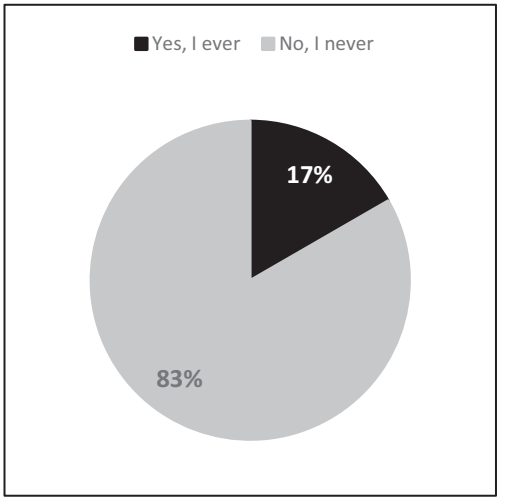

Figure 31.14 Content creators' involvement in formulating incentives.

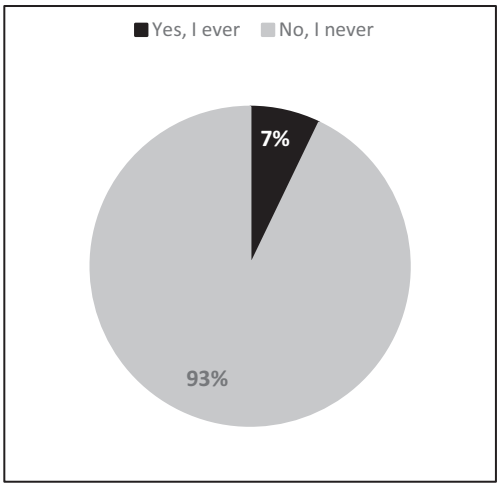

Figure 31.15 Content creators' perception about income gained.

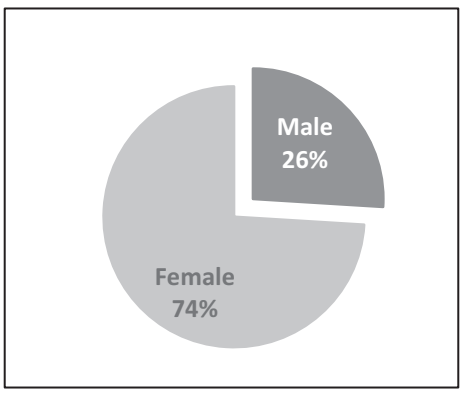

Figure 31.16 Content creators' experience being factory workers.

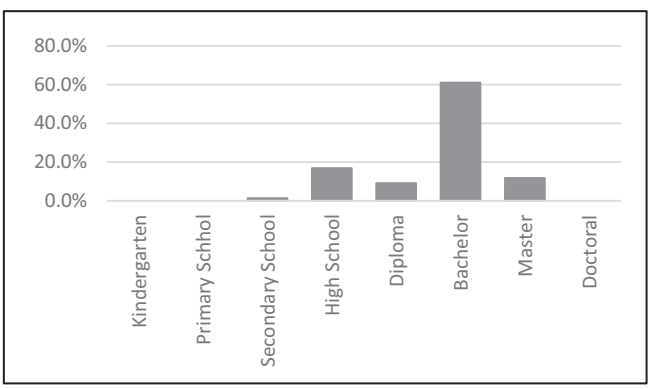

Figure 31.17 Content creators' exposure to labour rights socialisation.

6.2 Journalists' reluctance to join labour unions

To understand the phenomenon of content creators' reluctance to join labour unions and to participate in labour movements, we need to trace back how generally media workers in Indonesia think about unionisation. In fact, media workers, especially journalists, are among those who tend to refuse being categorised as *buruh*. Dzaki (2019), an activist of *Remotivi Media Watch*, described that *buruh* tend to be perceived as *pekerja kasar* (blue-collar workers), which are different from 'professional' journalists. Dzaki even revealed that Indonesian journalists tend to criticise *buruh* rally during May Day.

Arismunandar (2018) proposed a different perspective in analysing Indonesian journalists' rejection of the term *buruh*. Arismunandar (2018) argued that the working routines of media workers to meet high rank politicians, bureaucrats and celebrities for producing news or TV programs have unexpectedly led to a false consciousness that journalists are 'not ordinary labour'. Arismunandar (2018) reminded the definition of *buruh* (labour): 'orang yang bekerja untuk seorang majikan dan mendapat upah dari kerjanya itu' (Those who work for employers and get paid for what they do). Thus, he continued, media workers should consider themselves as *buruh*, unless they have a share of ownership within the companies.

Aliansi Jurnalis Independen (Alliance of Independent Journalists, henceforth AJI) has long been concerned about this false consciousness due to its profound impact on Indonesian journalists' welfare. According to Independent Journalists Alliance (2011), journalists' low awareness of their position as labourers has been the root problem that inhibited the establishment of labour unions in the Indonesian media industry (p. 141). In fact, while labour unions in many other industrial sectors have been established since 1908, the earliest labour union in the Indonesian media industry was established in 1978, namely *Dewan Karyawan Tempo* (Tempo Employees Council). Even so, Independent Journalists Alliance (2011) claimed that this council could not be considered an ideal labour union which tends to be ferocious towards capital owners. Indeed, it is explicitly stated that the aim of establishing the council is to maintain a harmonious relationship between employees and the company. After that, it took 14 years for the establishment of four other labour unions in the Indonesian media sector. Critically to note, these unions in the Indonesian media companies have chosen the label *karyawan* (employees) or *pekerja* (worker), instead of *buruh* (labour), for naming their organisations (p. 139):

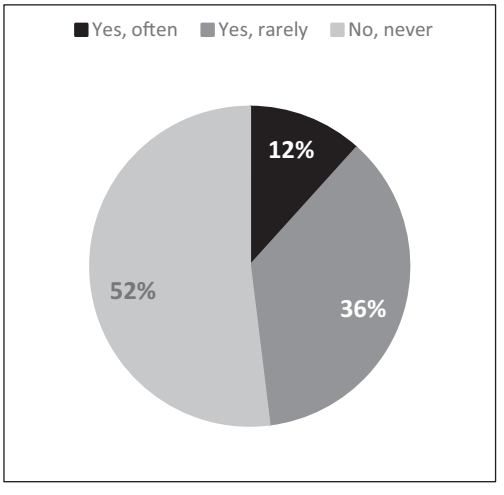

Figure 31.18 Content creators' experience joining labour unions.

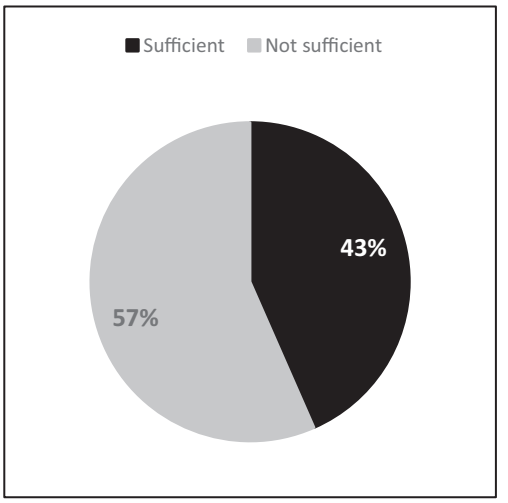

Figure 31.19 Content creators' experience participating in labour rallies.

6.3 Bloggers are not 'citizen journalists', not 'labour'

While scholars globally tend to consider blogging as equal to citizen journalism practice, in Indonesia, however, blogging is less considered as a form of citizen journalism. Even the relevance of the 'citizen journalist' concept has been debated among academics, professionals, and media authorities. Take the case of *Kompasiana* for an example. While academics refer to it as a citizen journalism platform, the company prefers to label their service as a blogging platform. In its Content Policy (2019), it is highlighted that the company has never appointed someone to work as a citizen journalist or citizen reporter of *Kompasiana*. In that *Kompasiana* writers are prohibited from introducing themselves as citizen journalists of *Kompasiana*. Correspondingly, the Indonesian Press Council disregards the existence of 'citizen journalists', as the notion is nowhere to be found in the Indonesian Press Law 1999 (Paraqbueq, 2010). Consequently, writers of citizen journalism platforms in Indonesia are commonly referred to as 'bloggers'.

Having the discursive background that bloggers are not citizen journalists and that citizen journalists are not legally acknowledged by the Indonesian Press Law 1999; interestingly almost all bloggers involved in this study synchronously responded that they do not bother being included within or excluded from the journalist category. These content creators even resolutely rejected both terms 'journalists' and 'citizen journalists', and prefer 'bloggers' as a label for addressing themselves.

For these content creators being casual bloggers without binding employment contracts with any press companies means invaluable freedom and independence. *Informant HS* said he personally comfortable to call himself a 'writer' or a 'blogger', rather than a 'journalist'. Because in his understanding, journalists are bounded with press companies (FGD, 5 August 2020). *Informant DE* even stated that she cannot accept being addressed as a 'journalist', as 'I am not under any company which constrains me'. Based on her experience being a full-time journalist, *Informant DE* claimed that press companies tend to restrict journalists on the topics to write, on the style of writing, and also regarding their working hours (FGD, 5 August 2020). *Informant MA* further highlighted that bloggers are not writing on behalf of any institution, instead they are independent writers (FGD, 5 August 2020).

Stressing on the independence of bloggers, these content creators showed less concern on legal protection that they might be eligible if only they are acknowledged within the category of 'journalists'. It was only when the FGD nearly end, one informant, who tended to be very silent, carefully expressed his thinking that in Indonesia bloggers are actually prone to be prosecuted with the Indonesian Electronic Information and Transaction Law 2016, either against the hate speech or defamation articles. In that Indonesian bloggers are not legally protected by the Press Law (FGD, 5 August 2020). This conversation reflects lack of understanding among the majority of these content creators on the legal consequences for being labelled as 'bloggers', as compared with being labelled 'citizen journalists' or 'journalists'. If there are bloggers who have critical understanding about the legal consequences of the labelling practice, such bloggers might be silenced by the fact that the majority of content creators tend to be proud of the label 'bloggers'.

Finally, bloggers that were involved in the FGD tended to perceive themselves as different from traditional labour or so-called *buruh*. *Informant NR* stated that if *buruh* means those who annually organise demonstrations or rallies during May Day, then she thought that bloggers are not *buruh* in that sense. But if *buruh* is defined as those get paid for particular job they do, then yes, she considered that bloggers might be called *buruh*. *Informant NR* added a note that 'we are "*buruh*" who have freedom to decide whether we take the job or not. We have bargaining position' (FGD, 5 August 2020). *Informant DK* further reminded the fact that not all people in Indonesia can accept the label *buruh* (labour). *Informant DK* provided an example of Indonesian teachers as a group who tend to refuse *buruh* label due to the term's negative connotations (FGD, 5 August 2020).

Thus, the responses regarding *buruh* label by bloggers provide an insight that the negative stigma attached to the term *buruh* leads to its rejection. This rejection reflects lack of understanding that those labelled as *buruh* actually have their working condition and welfare legally protected by the Indonesian Labour Law 2003. Even sadly, bloggers in this study tend to have negative perception towards annual rallies by traditional labour. These bloggers fail to understand the rallies as a form of street-level politics, highly critical for labour advocacy, as Juliawan (2011) asserted that 'Industrial workers take to the streets in large numbers to challenge the state and business interests perceived as hostile to their material and political interests' (p. 349).

7. Conclusion

This study reveals the fact that online drivers and content creators as the prominent working activities performed by Indonesian digital labour. Both digital labour force tends to have different educational background: while most online drivers are high-school graduates, the majority of content creators are having a bachelor degree. However, the study shows that the two digital labour forces have similarly experienced lack of exposure to labour union socialisation and movements. This condition reflects an argument by Davidson (2013) that 'many working-class people do not have the opportunity to develop "trade union consciousness". . . . These workers could be unionised, but for the moment they are not, and this has had political effects' (p. 46). For online drivers, their mobility and economic constrained have prevent them from conducting physical consolidations for the purpose of labour activism. As for content creators, negative perception about street-level politics tend to hinder them from joining labour rallies.

More critically, this study uncovers how online drivers and content creators in Indonesia tend to distinguished themselves from their fellow traditional labour force. This is caused by, *first of all*, the politics of labour labelling during the New Order era (1966–1998) which has produced negative connotation of the *buruh* (labour) label: low educated, blue-collar workers,

abusive, poor, etc. As a consequence, many working-class groups in Indonesia (such as teachers and journalists) tend to reject being labelled as *buruh* (labour). *Secondly*, the discursive practices by digital intermediaries in Indonesia has managed to shape class-consciousness of online drivers and content creators that they are not *buruh* (labour), such false-consciousness which has unfortunately been endorsed by government authorities.

The failure of digital labour to see themselves within the labour category has further hindered them from unionisation. Labour unions and labour movements have been perceived as closely attached to traditional labour. Since digital labour tend to perceive themselves as different from traditional labour, then joining labour unions and movements are rather perceived as irrelevant. Digital labour in Indonesia tend to form communities, which tend to be smaller as compared to unions. These communities focus on sharing tips and trick for digital labour to get more work orders and therefore better income, instead of conducting policy advocacy how digital labour rights can be better accommodated by company and state policies.

Finally, this study highlights the phenomenon of divided unionisation between digital and traditional labour forces in Indonesia. This situation is not positive for the future of digital labour welfare in Indonesia, in that by forming small and fragmented communities, it will be almost impossible for them to influence labour policies. As for traditional labour future, even though they have formed large unions and further consolidated for extensive annual movements, but in particular industrial sectors (such as in the case of press industry) there is a declining trend in the number of traditional labour being replaced by digital labour. This means there is a potential for traditional labour density to be declined in today digital network society, lowering their bargaining positions towards the industries and the states. After all, it is suggested that further consolidation between digital labour communities and traditional labour unions are increasingly critical in today age of precarity.

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32

THE RISE OF THE GIG ECONOMY IN SOUTH AFRICA

Cooperation and conflict in the labour process

Mondli Hlatshwayo

1. Introduction

There are no reliable statistics to indicate the number of workers involved in the gig economy or platform work in South Africa. However, there is no doubt that a substantial growing number of workers are part of the multinational and local digital platforms. Two years ago, *Fairwork*, a network of researchers and legal experts seeking to promote the principles of fair work, estimated that there were about 30,000 workers in ground-based platform work, namely, taxi driving, delivery, and cleaning. In addition, the group stated that close to 100,000 workers were involved in online gigs or 'cloudwork'. All these figures suggest that about 1% of the workforce in South Africa is involved in gig work, and this number is growing by about 10% yearly. However, this growing sector of the South African economy has been affected by the COVID-19 pandemic and the ensuing nationwide lockdowns that took place in 2020 and 2021 (van Belle et al. 2021).

The literature on the gig economy in South Africa exposes the poor working conditions and precariousness faced by gig workers (Kute 2017; van Belle et al. 2021). This contribution is timeous as it points out the fault lines in the gig economy and can be used to improve the conditions and the rights of gig workers by organisations involved in campaigning for their rights. However, this chapter critically examines gig work in South Africa by using the Marxist labour process theory as a conceptual framework for understanding gig work (Pires 2021). In so doing, the chapter reveals the existence of the duality of the labour process in gig work. In other words, like other previous forms of work as discussed by Marx (1990), gig work is also characterised by co-operation and conflict in the workplace. In their paper on labour studies and the labour process, Kenny and Webster (2021) argue that using labour process theory to understand work enables labour scholars to unearth the process of control and resistance in the workplace and other new avenues of work, such as the gig economy, and other forms of precarious work.

Webster (2020), using the labour process theory, wrote about control and resistance in platform work in South Africa. Webster's (2020) analysis identified a new form of organisation of platform workers that sought to respond to the traditional union's inability to organise drivers. However, this chapter goes beyond Webster's (2020) work on platform work and the labour process by explicitly arguing that going back to Marx's theoretical understanding of the role of technology as the tainted tool used to aid the employer in the struggle over the control of the labour process is most likely to help deepen the understanding of power relations and the

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labour process in platform work. Platform work and its technologies have revolutionised the role of technology in the labour process in fundamental ways by embedding managerial and supervisory functions of the labour process in technological platforms. This was only made possible by highly sophisticated university-based science, which emerged in the United States of America in the 1970s. The information communication technologies (ICTs), according to this chapter, have taken Marx's notion of technology as a tool for increased productivity and control to unimaginable levels of control.

However, the other aside of the proverbial coin, is that despite this heavy intrusion of the ICTs in the labour process, platform workers have been resisting the real subsumption or complete subjugation to platforms by using various mechanisms, such as mobilisation, strikes, and negotiations. What is also emerging from this chapter is that research and legal work that seeks to support the struggles of platform workers raises possibilities to strengthen the social agency of platform workers in South Africa.

To develop these arguments further, the chapter commences by unpacking the theoretical and conceptual frameworks used in this chapter. The gig economy is analysed by using the Marxist tools of analysis that view the labour process as the terrain of cooperation and conflict among the employers who own the means of production or platforms, on the one hand, and those who sell their labour power and bring their own tools, such as cars and smartphones, to the workplace or the platforms, on the other hand. The second part shows how platform workers are subjugated to ICT or the platforms that have revolutionised the managerial and supervisory functions in the labour process. Actually, these functions are performed by algorithms of the university-inspired computer science and electronics engineering. Platforms embed all management and supervisory functions when the platform worker logs on to a platform. In addition to that, a customer who also has access to the platform has the power to supervise the platform workers. Despite higher levels of subsumption of workers to the platforms, gig workers are also rediscovering their social agency. This will be elaborated on in more detail later in the chapter.

2. The role of technologies in production: from early capitalism to platform work

Writing in 1867, Marx stated that the fundamental role of technology in the capitalist labour process is to aid and strengthen the role of capital when he declared:

> Like every other instrument for increasing the productivity of labour, machinery is intended to cheapen commodities and, by shortening the part of the working day in which the worker works for himself, to lengthen the other part, the part he gives to the capitalist for nothing. The machine is a means for producing surplus value.
>
> (Marx 1990:492)

In other words, technology enters the labour process as a tainted tool seeking to give an employer an advantage in the contestation between employers and workers over the control of the labour process. Marx (1990) further argues that 'absolute surplus value' is an outcome of the lengthening of a working day, but 'relative surplus value' is achieved by increasing the productivity of labour and the intensification of the labour process through introducing new technology and work reorganisation. Work reorganisation and the introduction of new technologies lead to the production of products and services at faster rates to the advantages of employers.

The first capitalist technological surge or technological revolution began in 1760 in England. It was driven by the steam engine, which had an impact on the manufacturing and the mining

sector and was anchored by new technologies of steam, coal, and textiles. It has to be stated that these technologies had nothing to do with the universities, as they were driven by practical and mechanical men like James Watt, who discovered the steam engine.

The second capitalist technological surge began after the 1870s. Based on electricity and chemicals, it was initially led by German national corporations such as Siemens and Bayer, supported by the German state, and the United States' Thomas Edison. Although university laboratories were somehow involved, these innovations were led by practical men of corporations. Subsequent to electrification, the discovery of chemicals, petrol, diesel, and increased manufacturing of cars during the second technological revolution, the assembly line arrangement, which led to machines being in control of the labour process, played a significant role in Fordist production methods from the 1920s (Womack et al. 1990). Mashilo (2010:29) sums up the relationship between Fordism and its contribution to technological innovation in the production process, saying: 'Ford's moving conveyor [did] not only create an enabling environment for uninterrupted production flow on a technical basis but also facilitated a transformation in the technical conditions of production towards a technological revolution, in which increased use of machinery and automation play a significant role'. In other words, under Fordism, workers tended to be appendages of machinery.

With regard to the third technological revolution that began in the post-1970s, Cooper (2021) makes a fundamental point that tends to be ignored when discussing the role of ICTs in production. Here is the point:

> *This capitalist (Third) industrial revolution is itself therefore closely related – what I call symbiotically linked – to universities, particularly the UIBR* [use-inspired basic research] *of professorial-led research groupings: the post-1970s revolution is thus impossible without a 'knowledge economy-society' in which university-based research* (a complex combination of PBR [Pure Basic Research] +UIBR+PAR [Pure Applied Research] plays a vital role. For example, *the new PCs and cell-phones are impossible without modern university-based physics and its advanced theories of electronics based on quantum physics, while the new biotechnology is rooted In cutting-edge genetic theories of DNA derived from universities' PBR (and similarly for the new material sciences including nanoscience*.
>
> (Cooper 2021:38–39, emphasis is added)

It was the 'global economic downturn' of the late 1960s and the early 1970s that motivated companies to find a solution to the profitability crisis. Cooperation in research and development between companies and universities was stronger in the 1970s, and this process was led by the Massachusetts Institute of Technology and Stanford University. For example, it was Professor Frederick Terman of Stanford University, who was trained in electronics engineering and whose PhD students, Hewlett and Packard, used complex, university-based electronics, engineering, and physics research to establish internet-based and digital network companies in Silicon Valley (Cooper 2011; Etzkowitz 2002; Crow & Tucker 2001). Uber, Facebook, Google, Apple, and Amazon are Silicon Valley companies that have a strong association with American university education and 'high' science, or complex knowledge and science associated directly with university education (Cooper 2021; Webster 2020).

Therefore, the platform economy is inconceivable without the highly sophisticated scientific knowledge of quantum physics, electronic engineering, computer science, and mathematics that is only obtained at universities. That is why this complex knowledge takes the Marx's theory of technology to a higher level unseen during the first and second technological revolutions. For example, the global navigation system (GPS) used in guiding Uber cars, for example,

uses complex Albert Einstein theories and smartphones to ensure that goods are delivered to customers. In other words, the platform economy is inconvincible without the close cooperation between the leading American universities involved in technological innovations to solve the challenges of production of capitalism. However, what is also important was that former university-trained computer science students like Apple's Steve Jobs, Microsoft's Bill Gates, Facebook's Mark Zuckerberg, Google's Larry Page and Sergey Brin, and Uber's Travis Kalanick, for example, established small companies that later became global players in the platform economies. Unlike big conglomerates where decision-making takes long, start-ups in the Silicon Valley were often run by young graduates or former computer science students and scientists who were willing to take risks in advancing innovation (Cooper 2021).

According to Webster (2020), platform capitalism, in other words capitalism that heavily relies on ICTs and online platforms to perform work, has given rise to a new business practice and philosophy that is increasingly giving economic and social power to ICT platform companies such as Uber, Amazon, Apple, and others. Unlike other previous forms of capitalism where managers and supervisors were physically present on the shop floor to monitor and supervise the labour process and workers, technological platforms are used to manage workers who have never met their managers and supervisors in the physical world. Supervision and management happens in a virtual space. It has to be stated from the onset that platform capitalism exists alongside other old forms of capitalism that entails general physical presence of production managers and supervisors in the labour processes. However, the old forms of management and supervision tend to be dominated by the ICTs, which emerged in the Silicon Valley in the late 1960s.

In 2018, platform work accounted for 20% of the stock market of the United States of America, a leading economy in the world. The platform economy has radically changed employment relationships by undervaluing workers' rights. Concretely, an extremely segmented labour market has been produced by platform capitalism, giving rise to a tiny core of highly valued employees who design these platforms to control the labour process of precarious workers involved in franchised activities. The business leaders of these platform companies, such as Jeff Bezos, Bill Gates and Mark Zuckerberg, are among the richest individuals in the world (Rahman & Thelen 2019). At the centre of what has become known as 'platform capitalism' is unprecedented levels of power in the hands of a few individuals in a small number of corporates, namely, Facebook, Apple, Amazon, Microsoft, Netflix, Google, and Spotify (Webster 2020).

The increased usage of ICTs and the availability of gadgets such as computers, cell phones and laptops has accelerated the rise in the platform economy, which facilitates the gig economy. What is often referred to as the gig economy has always existed. For example, rock musicians or other artists have always relied on gigs to reproduce themselves and their music. Thus, the gig is as old as economic activities. Freelancers, temporary workers, and consultants have always been part of the capitalist economy. The platform economy has facilitated the recent significance of the gig economy by ensuring that the technologies of the platform economy minimise barriers to entry into the gig economy. In other words, to participate in the gig economy, a participant needs access to a gadget and access to the Internet economy.

Contributions made by scholars such as Rahman and Thelen (2019) and Webster (2020), who have specifically theorised the platform and gig work as 'uberisation' or work that is derived from the Uber business model that is based on using technological platforms to use the services of Uber drivers who access driving gigs not as workers, but as 'business partners' of a global company called Uber, who have no employment security and basic regular income. Following the footsteps of Pires (2021), who has analysed the platform economy as a tendency that can be theorised and understood by using Marx's discussions on the labour process, the latter part of this chapter delves into platform work and the labour process.

3. Platform work and the labour process

The labour process or the process of delivering products and services through platform work these days has two social forces involved in cooperation and conflict over the control of the labour process. On the one hand, there are workers who are employed by the capitalists who own factories or technological platforms in the case of platform and gig work. Workers who produce additional value or deliver services sell their labour power for the ability to work in order to earn an income for survival. On the other hand, employers want to have a higher share of the value created by workers. In other words, the difference between the value created and the value of labour power is called *surplus value* (Thompson 1989; Webster 2020).

Thus, platform technology enters the labour process as a tainted tool seeking to give more power to employers or the owners of platforms, such as Uber, over workers who use the platforms. Workers in a traditional workplace use cards to clock in to use machines and other technologies to produce commodities for their employers. On the other hand, platform workers or gig workers log in to an application (app) using their cell phones, laptops, and other gadgets. Instead of waking up early in the morning to go to a traditional workplace and use a clock card to indicate that they are about to start working on a machine to produce commodities, platform workers log in on an app to respond to or access consumer demands, translate the instruction into orders and tasks, directly or indirectly how much money will be paid to the platform worker, and directly and indirectly execute the task/s. Unlike the traditional workers of the manufacturing industries of today, platform workers bring their tools of the trade to the platform, and these are the car and the smartphone (Gandini 2019).

According to Webster (2020), the labour process theory has common key digital characteristics. The point of production, or what is traditionally referred to as the workplace or the factory, is the app and is the first characteristic of the labour process of platform work. The second aspect of this type of work is the customer review of the service delivered by the platform worker, compelling platform workers to engage in what is often called 'emotional labour', which compels them to suppress their negative feelings to be perceived as good workers (Webster 2020; Hochschild 1983). Good reviews from customers enable platform workers to earn a reputation and trustworthiness that may lead to financial rewards in the form of tips and extra gigs. The third element is what Gandini (2019) refers to as 'techno-normative control over workers' – that is, the use of platforms by customers to control the labour process of platform workers, something similar to how call centres operate. Performance is based on what a customer sees as 'good service'. In other words, the app and the customer asking for orders to de delivered are managers who control the labour process of an Uber Eats driver, for example (Webster 2020; Gandini 2019).

4. Platform work and the new 'outworkers'

Several scholars have written about *uberisation* as another form of precarious work – a rising phenomenon in the 'world of work', especially in the Global North. What is missing in the literature is the fact that Marx (1990) discussed work reorganisation, outsourcing, or subcontracting while analysing early forms of capitalism in the 1700s. Marx (1990) demonstrated that the phenomenon of precarious work, or what he actually called 'outworkers', is as old as capitalism. Marx (1990) pointed to a shirt factory in Londonderry that employed 1,000 workers in the factory and a further '9,000 outworkers [outsourced workers] spread over the country districts'. Such outworkers were employed in small sweatshops dispersed over wide areas, weakening their power to organise collectively and resist. In the clothing manufacturing sector, there emerged

a 'murderous side of this economy', most notoriously the 'mistress's houses' where children and women worked in extremely dangerous working conditions, earning low wages. In some cases, children aged six were working a 14-hour day (Marx 1990:602–4). The precariousness of workers in the modern domestic industry was reflected in the fact that workers were rendered 'redundant in the form of under-payment and over-work' to the point of super-exploitation (Marx 1990:602–4).

In advancing the argument that platform work is a new version of precarious work under platform capitalism, Peticca-Harris et al. (2020) argue the notion that platform work is part of the sharing economy where 'partners' or platform workers are seen as stakeholders who share proceeds of their work with the owners of platforms. Unlike traditional workers, Uber drivers bring their tools of the trade to the 'workplace', which in this case are cars, scooters, and cell phones. Although Uber workers can be grouped as those who are full-time drivers and part-time drivers, ultimately the owners of platforms are the main beneficiaries in the platform economy. Anxiety, low earnings, and poor working conditions subject these workers to precarious forms of work. Research has also shown that black women are overrepresented in various precarious forms of work in South Africa and the world over. It is, therefore, not surprising that some exploratory research is showing that the gig economy reproduces patriarchy by relegating women to what was always viewed as traditional work for women, such as the service industry and care work (Milkman et al. 2021).

5. Labour process and platform work in South Africa

5.1 The hiring of platform workers: some examples

To become an Uber and Uber Eats driver in South Africa, a potential Uber driver has to follow a five-step process. First, one needs to have an email address and a functioning smartphone. Signing up online also requires the applicant to describe himself or herself. The second step entails booking the safety screening and driver evaluation. It appears as if these evaluation centres are in major cities such as Johannesburg, Pretoria, Durban, Pietermaritzburg, Cape Town, and Port Elizabeth. An applicant must use the online platform to book screening and evaluation. The process involves uploading a valid South African professional driving permit (PrDP), identity document (proving that the potential driver is not less than 21 years of age), a driver profile photo, safety Screening Certificate, and Driving Evaluation Certificate (in many cities). The fourth step requires a potential Uber driver to have a roadworthy vehicle meeting Uber's requirements and standards. The fifth and the last step asks the candidate driver to activate the account so driving clients could start soon (Uber 2021).

SweepSouth, a platform for domestic work in South Africa, was co-founded by Aisha Pandor in 2014. For workers to be hired through this platform, they need to have a smartphone that is connected to various cell phone networks. Applicants should have some working experience as domestic workers, and they must have no criminal record. If they are not South African citizens with South African identity numbers, they must have a work permit or refugee identity number (SweepSouth 2021; Malinga 2020).

To participate in Uber Eats, Uber, and SweepSouth platforms, workers must have a smartphone to access the platform and gigs. Unlike factory workers who are employed by a visible employer owning a physical factory and bringing their skills and bodies to the factory, platform workers bring a smartphone and their skills to the platform. They are registered on the platform and hired by an invisible or a virtual employer. All functions concerning the hiring of a worker have been appropriated by the platform, and the entire hiring process is digitised.

When a worker is hired by the platform, they are not regarded as an employee or a worker but as an independent contractor, a partner, or as being self-employed. In an interview with the ENCA, a news television channel in South Africa, Edward Webster, who has conducted research on *uberisation* in South Africa, said:

> Well, I think it has significant implications because in terms of our labour law, the employee is entitled to certain basic rights. Rights to compensation when they're injured, rights to voice, rights to certain hours of work, and so on. However, if you define somebody as 'self- employed', then they're no longer subject to those rights, and I think that has become a major debate across the globe actually because it's been argued that, by some that, this is a misclassification. In fact, they are workers because they are very directed by the app to undertake certain tasks and, as such, ought to be defined as employees or workers.
>
> (Webster, 2021:1)

5.2 The labour process

Defining platform users who deliver services as workers, as stated by Webster (2020), enables one to use the labour process theory to describe and explain their labour processes. A platform worker using Uber or Uber Eats waits for customers to use the platform to create a demand. Subsequently, the driver uses the app to accept the order or the request. In other words, the instruction to perform a task comes from the customer who is not known by the driver. The app uses an algorithm to calculate the amount of money due to the driver and further uses the GPS to guide the driver to execute requests made by the customer. If it is Uber Eats, the driver will use a car or a scooter to fetch food from a food chain store. The customer using the app can monitor the movements of the driver and has an approximation of the time the order will be delivered by the driver. Technology in the form of a platform takes over the supervision of the worker and enables the customer to monitor the movements of the worker. Guided by the GPS, the worker delivers food to the customer who would have paid for the services by using the app. After receiving the goods or food, the customer may rate the service delivered by the worker.

The rating of the service of the worker happens digitally and may be accompanied by a tip from the customer. If the rating of the Uber driver is low, then it means that the driver will no longer be matched with that customer. By giving an Uber driver one or two stars, the customer says they were offended by the driver. The platform gives customers the power to control the labour process by granting them the right to discipline platform workers. Bad ratings may lead to a driver being 'kicked out' of the app.

Here is what Uber stated:

> What rating does Uber deactivate you? Ratings: If a driver's average rating falls below a certain point, they can be deactivated. UberX drivers must have a star rating above 4.6, UberSELECT above a 4.7, and UberBLACK above 4.8. If your ratings fall below these numbers for your Uber type, you risk deactivation.
>
> (Quetard 2020:1)

Drivers with high ratings are most likely to make more money from the app compared to those with a low rating. Therefore, the platforms take over the monitoring, disciplining and rewarding of workers, functions that were previously manually performed.

5.3 Platform work as precarious work

According to Mishel (2018), who conducted research on the wages of Uber drivers in the United States of America, Uber work and gig work broadly do not represent the future of work from the perspectives of the majority of Uber drivers and other gig workers. Uber only provides the platform or the app, and the driver brings his/her labour power and vehicle to the labour market. However, platform owners and designers earn the proverbial lion's share from the income generated by Uber workers. Low wages and the fact that Uber workers and other gig workers have no medical insurance, pension funds, and unemployment insurance fund benefits demonstrate that these workers are in precarious conditions.

Precarious work is not new as it is often portrayed by some scholars of the Global North, such as Standing (2014). As stated earlier in this chapter, in the early phases of capitalism in England, Marx (1990) wrote about the precariousness of work and regarded workers who had wage insecurity as 'outworkers'. Platform workers can be regarded as the new 'outworkers' who heavily rely on technological platforms to perform their functions. In fact, platform work has taken the use of technology as a tool that advances the precariousness of work to a higher level not envisioned by Marx (1990), whose scholarly work also examined the role of technology in the labour process. The intervention of technology in gig work gives the platform designers and owners, as well as the customer, the power to determine wages earned by Uber workers, for example. It grades workers, and those that are graded lowly by customers are most likely to earn very low wages.

During the winter months of 2016, Uber reduced the price for trips in South Africa without consulting the platform workers. It is alleged that an email notifying workers about this change was sent to all users, but the problem is that not all workers read their emails. Uber drivers were used to price increases during the high demand for vehicles, but this reduction in prices affected their incomes drastically. One would assume that big events mean that Uber workers make a lot of money, but this is not always true. The surge in prices tends to last for at least two hours, but the biggest challenge is that it is impossible for the driver to have many trips as there are often distance and traffic jam challenges (Kute 2017).

5.4 Research and legal work: platform work and worker agency

Marxists and Marx pay attention to workers' resistance because there is a strong belief based on evidence and theoretical disposition that the labour process has a dual character, namely, managerial control and a possibility of workers' resistance. The labour process, therefore, is not a one-way process of complete subordination of workers' interests to those of the capitalists (Cressey & McInnes 1980; Burawoy 1985; Webster 1985). In the face of generalised precariousness of work in the Global South, Ness (2016) argues that despite the economic and social oppression of precarious workers, these workers are involved in ongoing struggles seeking to challenge their conditions of subjugation.

There are two types of interventions seeking to resist platform work and its precariousness in South Africa, and both tend to be complementary. The first set of interventions is led by progressive academics, researchers, and lawyers. Under the platform of fair work, which challenges precarious work globally, a group of academics and researchers conduct desktop research, interview platform managers, and have dialogues with platform workers who are directly affected by the precariousness of platform work to obtain data on wages and the working conditions of platform workers. Platforms are awarded points when they can demonstrate that they have been implementing fair work principles and goals.

The *Fairwork* research report published in 2021 during the COVID-19 pandemic and lockdown period shows that most platform workers were vulnerable to COVID-19 because they were not able to work from home. The lack of benefits and rights, such as paid sick leave when they wanted to self-isolate, deepened their precariousness and financial vulnerability. Given that they did not have automatic access to UIF (unemployment insurance fund), meant that they had no income security when it came to lockdown. The report evaluated 12 of the country's major platforms against five principles of fairness, namely: fair pay, fair conditions, fair contracts, fair management, and fair representation. Each principle was given a 'fairness' rating out of 10. One of the conclusions of the report was this:

> In South Africa, digital labour platforms hold the potential to reduce the extremely high unemployment and inequality. However, the annual South African *Fairwork* ratings provide evidence that platform workers, as in so many countries worldwide, continue to face unfair work conditions and lack the benefits and protections afforded to employees.
>
> (van Belle et al. 2021:2)

Six out of 12 platforms' gross pay was equal to or above the minimum wage (in 2021, the minimum wage was R21.69/hour). When it comes to the living wage (currently assessed as R41/hour for 2021), only three of the platforms met this requirement. It was also noted that the efforts of mobilisation by gig workers and strikes were not in vain, as some progress was made regarding improving wages and the working conditions of these workers. Eight out of 12 platforms took action, such as supplying personal protective equipment (PPE) to workers during the COVID-19 pandemic. During the COVID-19-induced lockdown of 2020, some South African–based platforms, such as SweepSouth, raised funds to support their users whose incomes were negatively affected by the lockdown rules. Some platforms provided additional support, which included providing workers with educational opportunities and insurance to cover lost income. What was disturbing, according to many platforms for workers in South Africa, was that international platforms operating in South Africa with larger financial resources were not able to support workers who lost income due to the lockdown. The overwhelming majority of the platforms (8) had given workers some recourse to appeal when deactivated by the platforms. Seven platforms gave workers some individual and collective voice to raise their concerns (van Belle et al. 2021:2).

GetTOD (a platform that connects tradespeople with people wanting someone to provide a home improvement service for them) leads the 2021 table with nine points, while M4Jam (a 'micro jobs' platform that allows people to access the gig economy), SweepSouth (a domestic work platform), and NoSweat (a job placement service for freelancers and people looking for permanent employment) are tie in second place with eight out of ten points. Interestingly, the top six platforms in the 2021 ranking of Fairwork were all South African-owned and led (van Belle et al. 2021).

Legal action is another form of action taken by gig workers to challenge the notion that they are not workers but independent contractors and partners of platforms with no labour rights. Following the United Kingdom Supreme Court ruling that in March 2021, Uber drivers should legally be defined as employees with benefits, several law firms in South Africa have engaged in discussions with Uber workers and their representatives in preparation for the class action lawsuit on behalf of about 20,000 Uber drivers to be recognised as employees by the Uber platforms with labour rights and benefits (Magubane 2021).

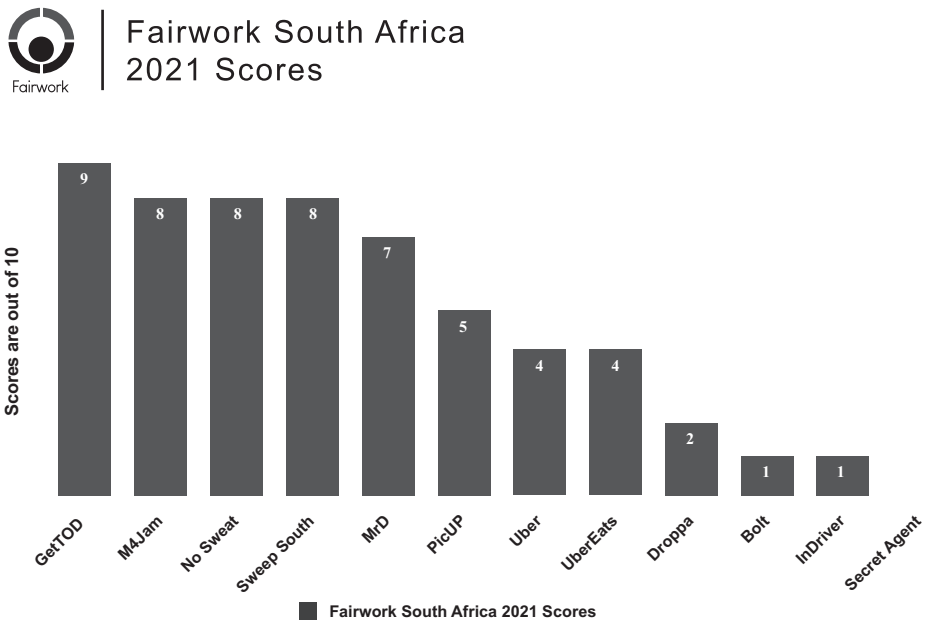

Figure 32.1 Fairwork report for 2021.

Source: van Belle et al. (2021:2).

The legal action proposed here may take some time as the court process in South Africa is usually delayed. Companies tend to appeal the rulings of lower courts because they have the resources to do so, causing further delays in the realisation of workers' rights. Even when the courts make favourable rulings to workers, companies are most likely to ignore court orders. The fact that state institutions that are supposed to process disputes between labourers and employers have been weakened severely through budget cuts indicates that legal victories of workers may not be implemented. However, organised workers are most likely to enforce the implementation of the court rulings to improve their living and working conditions.

6. Platform workers begin to organise

Despite individualisation, alienation, and monitoring by the platform gig economy, globally gig workers are resisting the real subornation of their labour by the platforms. Deliveroo workers in the UK are using smartphones to organise themselves and to subvert individualisation and alienation (Cant 2020; Tassinari & Maccarrone 2020). South Africa is no exception, as the gig workers are also beginning to assert their social agency and redefine their conditions of subjugation by platforms.

In South Africa, a group called Brothers of Melville was formed in February 2020. Using WhatsApp and strikes, they demanded that Uber Eats increase the money they earned per trip. The demands for services from the customers and the collective action of workers compelled Uber Eats to increase the price per trip for the drivers. According to the drivers, no one was victimised for taking part in the strikes. In March 2020, drivers met at Campus Square in Johannesburg to share their concerns and demands, which included poor working conditions and

low wages. This action led to using the very same oppressive technology to organise workers by using WhatsApp to form groups and communicate. The Uganda Bike Drivers Association uses WhatsApp to build solidarity among some of the Uber Eats drivers in Johannesburg. Despite the fact that the association is not a registered trade union, it acts to advance the interests of about 60 members who are from Uganda. One of their concerns is that the drivers are not safe, as they sometimes get driven into by other cars (Webster et al. 2021).

In December 2020, Uber Eats made a unilateral decision to reduce the rate charged for collecting food from restaurants, citing pressure from restaurant owners in South Africa. During the strike in December, Duane Bernard of the Uber Drivers Partners Association outlined what caused the strike and the halting of delivering food to customers, narrating that Uber Eats reduced their fees without any form of consultation with the drivers. Bernard (2020:1) explained:

> If you compare. . . . We've taken a comparison over the past 3 years. If you did 20 orders per day for argument sake three years ago, you'd get an average of R600, that's excluding your tips. Currently, if you do 20 orders you're lucky if you get R300–R350 per order, for those 20 orders.

During the strike in December 2020, the Uber Eats drivers switched off the app, similar to workers downing their tools in a traditional factory. Using the same app that exploits them, thousands of these drivers in Gauteng did not process orders from customers, causing stress for customers and platform owners. One of the drivers was concerned about the fact that they are subsidising the platform owners by using their own vehicles, smartphones, data, and airtime. He said: 'We are using our own bikes, our own petrol, our own data as well as our own airtime to call the customers when we are reaching the customers' destination. Another driver indicated that they drive their scooters in winter when it is cold and in summer when it is raining' (Mataba 2020:1). It was also revealed by Sasha Mataba who is speaking on behalf of a host of Pretoria Uber Eats drivers that there was no local representative to process the workers' demands. Instead, they had to email a letter containing their grievances to the Netherlands. Getting a response from the platform owners was almost impossible, according to Mataba (2020).

All these aforementioned strikes and collective actions indicate that Bolt, Uber, and Uber Eats drivers are concerned about the wages and lack of benefits from the platforms that employ them. In an interview with one of the taxi owners using the Bolt platform was the proverbial lion's share of income generated in the ride. For example, if a ride costs R100, 60% of this revenue generated goes to the platform owner. He has to share 40% of the income with his driver. Perhaps that explains the point made earlier on in this chapter, that platform work has produced super-rich individuals at the expense of the drivers and the owners of the vehicles. COVID-19 and the lockdown have made it extremely difficult, as these measures limited the movement of people in 2020 and 2021 (Thumi, personal communication, 6 September 2021).

On 12 October 2020, during the strike of e-hailing drivers in Johannesburg that coincided with the government's transport month, Vhatuka Mnelengwa, a spokesperson of the striking drivers, said:

> Look, the drivers' position is that we need reform in the industry. More and more vehicles are being added on the platforms; pricing isn't changing. In fact, pricing is being reduced. We're not being consulted when it comes to matters of pricing, although it's our clients that enlisted the service.
>
> (Mnelengwa 2020:1)

During the strike, Mnelengwa (2020) further stated that Bolt, for instance, wants the driver to charge R5.50 per kilometre, and they were already unhappy with the R7.50 they were charging. On top of that, they had to deal with the violence meted against them by taxi owners who saw them as competition. To make matters worse, Bolt representatives in Johannesburg were not prepared to negotiate with them, citing the fact that they can leave their platform if they are not satisfied with the service delivered by Bolt. He also stated that the platform owners did not care about the safety of the drivers, because they did not own the vehicles and did not pay monthly premiums to insurance companies.

When asked to speak about how COVID-19 and the lockdown affected platform workers, Mnelengwa (2020:1) responded as follows:

> Currently vehicle repossessions are at an all-time high. We have this in the industry – a result of the impact of Covid-19; It's those restrictions. E-hailing is entirely misunderstood and doesn't have a proper governing body within South Africa. There weren't even interventions that could come to our aid and support us. In fact, what we would then get is Bolt reducing prices, although we find ourselves in a situation where our vehicles are being repossessed. It shows a lack of consideration for us as drivers.

Edward Webster was extensively involved in organising workers in the 1980s in South Africa. More recently, he has been involved in supporting the organisational initiatives of platform workers. In his extensive research on *uberisation*, he argues that Uber drivers and platform workers have no choice but to organise themselves like the workers of the 1970s and the 1980s. Struggling for concrete issues, such as wages and benefits, and compelling platform owners to bargain over the direction that has to be taken by workers and platform owners, Webster (2021:1) elaborates:

> In fact, some countries are already doing this. Australia, New Zealand, [and] many parts of Europe are beginning to extend insurance, compensation, a lot of accidents take place and are starting to extend this. I think . . . for me, you know, the starting point then should be a conversation, let's call it a 'social dialogue' between these new forms of work that's emerged, the government which is a key player here and the companies themselves to work out, you know, what would be a way in which the voice of this new form of work and new type of workers could be heard.

Uber and Bolt drivers ended their strike on 11 March 2021. The striking drivers were able to combine strike action and discussions with the state that is supposed to intervene and improve their working conditions. For example, on the 11th of March 2021, the Gauteng Province Member of the Executive Council (MEC) was concerned about the relationship of employment, pricing, and safety issues. He further called for regular meetings between Uber and Bolt, on the one hand, and the drivers, on the other (Mamabolo, 2021).

Strike actions and protests by e-hailing drivers were combined with participating in state institutions to raise the demands and concerns of the platform workers. Mbelengwa (2020:1) elaborated:

> Well, we've been engaging, we've been at the Competition Commission, we've been at the Land Transport Act amendment Bill, we've been to Parliament, we've tried to engage at all platforms, and so far, we haven't received a satisfactory response. We are planning for a Transportation Lekgotla where we believe that e-hailing is on the

agenda and it's the first time we'll be on such a major platform. We're hoping to be heard and understood there. We're hoping that the transportation sector of South Africa as a whole can learn from what we've learnt in embracing technology and incorporating technological platforms into our transport network.

7. Conclusion

The chapter has made a theoretical and empirical contribution to the debates and discussion on platforms and platform work in South Africa. First, utilising Marx's theory of the labour process and the role of technology in production, the chapter unpacked how platform work departs from how labour scholars understood work previously. Technology or the platform is at the centre of platform workers, and like the old technologies of early phases of capitalism, it has entered the labour process to aid the employer or managers who are not visible to platform workers. The factory or the platform is virtual and can only be accessed by downloading the app. The platform workers become employees by signing in on the app and accepting its terms and conditions. The placing of orders by customers and the supervision of services takes place in a virtual space of the platform and the smartphones. The power of the platform owners is deeply entrenched because an app can deactivate a worker without a single hearing, undermining the principles of justice that assume that one is innocent until proven guilty. The customer who grades the services of platform workers is given the power to supervise the worker, and through the rating system can determine the fact of the worker without being questioned by the worker or his/her representative. In the physical space, a customer, a supervisor, a manager, and a worker can have a dialogue about the quality of service delivered by the worker, but this is not the case on the platform. The power is given to platform owners and customers. It can be argued that the platform seeks to introduce levels of subsumption of labour to technology that has never been seen before.

Second, the gap in the theoretical exposition of platforms and platform work is the fact that, unlike the other previous two revolutions that were spearheaded by 'practical men' associated with industries with very limited participation by the universities, the third technological surge was driven by the universities that used complex science to launch the ICT's revolutions of the post-1970s. It is these algorithms linked with computerised deigns, space science, and smartphones that made this technological revolution possible. This was a revolution in the labour process indeed, because suddenly platforms became 'virtual factories' employing platform workers located in various parts of the world. It is these platforms that pay workers who never see their managers and supervisors with a naked eye.

Despite these extreme forms of alienation and individualism imposed by the platforms on workers in South Africa and beyond, the chapter demonstrated that workers have managed to find ways to organise as collectives seeking to negotiate their conditions of subjugation by the platforms. This, therefore, indicates that the labour process theory notion of conflict and resistance have not disappeared even under extreme conditions of subordination imposed by the platforms. The withdrawal of labour by platform workers was used to compel platforms operating in South Africa to implement reforms seeking to improve the working conditions of platform workers. The very tool used to employ platform workers – the smartphone – is used to organise against the unfair labour practice. WhatsApp groups are formed to organise against platforms and to mitigate isolation and individualism imposed by these platforms.

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33

THE GIG ECONOMY IN KENYA'S INFORMAL TRANSPORT SECTOR

Manifestations, benefits, challenges, and prospects

Erick Manga

1. Introduction

Technological advances have enabled businesses to access multiple opportunities globally while remaining competitive due to limited transactions costs. A case in point is the gig economy which is the focus of this chapter. The term 'gig economy' even though conceptually contested, employment literature often uses it to refer to among others opportunities that can be accessed in different sectors of the economy through digital platforms. This chapter, while appreciating its conceptual limitations, sought to interrogate how the informal transport sector in Kenya manifests within the gig economy. Studies show that Kenya is one of the countries in sub-Saharan African which has a vibrant gig economy presenting several opportunities to both active and potential players due to its robust digital infrastructure, mobile phone ownership and aggressive entrepreneurial culture (World Bank, 2019; Genesis Analytics, 2019). The third annual edition of the Digital Quality of Life Index (DQL) ranked Kenya 79th among 110 countries in the world and 3rd in Africa. According to the survey, Kenya displays its best scores in e-security (54th) and e-infrastructure (58th), but shows comparatively low results in internet affordability (101st), internet quality (108th) and e-government (71st) (Surfshark, 2021).

There is a considerable debate on the exact distinction between formality and informality within employment sector. Some authors such as Keith Hart, considered the originator of the concept of informal economy, use the degree of rationalisation of work as the main variable in distinguishing informal economy from formal one. Formal economy, in this case, provides opportunities for wage earning on either permanent or contractual basis with regular rewards. Conversely, self-employment predominantly characterise informal economies (Hart, 1973; Quinn and Teal, 2008). Further studies building on Hart's approach show that informal employment goes beyond self-employment and instead encompasses various forms of wage labour which in most cases may not be contractual besides occurring in very precarious situations (Breman 1996; LeBrun and Gerry, 1974; Rizzo, 2017). This study opted for this broader conceptualisation of informality given the nature of employment relationships in the transport sector especially public transport industry in Kenya.

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Given the prevailing COVID-19 situation in the country, the assessment relied on both desktop review and in-depth interviews with various individual gig workers within the sector to gather information required. The discussion herein is organised under the following specific thematic issues: introduction which contextualises the study; key pillars of Kenya's gig economy in the informal transport; the benefits, challenges and copying mechanisms of gig workers in the informal transport sector in Kenya; and the future of gig workers within the sector. The remainder concludes.

2. Key pillars of the gig economy in Kenya's informal transport sector

Available literature shows that gig economy in any sector operates on the following key five pillars: a platform (online and offline), workers (supply-side), demand-side or clients (individual, households and corporate employers), financiers, and the policy and regulatory environment. The section which follows examines how each plays out within the informal transport sector in Kenya.

2.1 Gig platform

Gig platforms differ in structures, type of work offered, gig worker, and the nature of the work contract. Work on platforms range from sophisticated, highly skilled to low-skill or micro tasks. The operating models of gig platforms can be divided into 'on-demand work' and 'crowd' work'. The former, which is the dominant feature of gig works in the transport sector in Kenya, refers to a situation whereby workers connect with clients to perform tasks as needed or, as 'demanded'. These tasks are carried out locally with the client and the gig worker in physical proximity. These tasks are generally organised through mobile app platforms, by companies that set the terms of service for example fees and minimum service quality standards. Example include digital taxi or freight services (i.e. food delivery services) currently offered within major urban areas in Kenya by companies like Uber, Bolt (formerly Taxify), Glovo, Little Cab, Nopea, Jumia, and in Driver digital services. The latter entails enlisting of a large number of people, mainly through the internet. These tasks are commissioned and mostly carried out virtually and rarely involve a face to face interaction. This model is not quite evident in the informal transport sector in Kenya.

Available literature identifies the following are the common characteristics of the platform-worker relationship that when taken together, set gig work apart from traditional informal work: platforms collect a portion of worker earnings, platforms offer a rating system, platforms control the brand.

a. Platforms collect a portion of worker earnings

Gig workers on platforms are paid per piece of work completed. Before payment is made, gig platforms collect a commission fee for jobs solicited through the platform. While the business models of platforms vary, they however, tend to be differentiated between the following. One, those that own the employer relationship and assign and process work through the platform. In this case, the commission fee is a standard percentage fee. Interviews with drivers of the following companies established the following rates per trip: Uber, 25%; Bolt, 20%; Little Cab, 18%; while Uber Eats retains 40%. There are those digital platforms which individual workers and the client negotiate terms of pay before the work is performed. A case in point is inDriver digital taxis.

In both cases the commission fee is tied to the amount that clients pay workers while drivers who are employed by vehicles' owners mutually agree on the amount to remit to them on a daily basis. Information from interviews with Uber, Bolt and Little Cab, Nopea taxi drivers established owners used to set a target of $20 per day for six working days (Monday to Saturday); the driver has the option of either working on Sunday and keep the whole amount or just rest. However, the amount has since reduced to $10 per day due to COVID-19 pandemic despite the fact that companies such as Uber have not reduced their commissions.

A study by Genesis Analytics (2019) on digital workforce in Kenya shows that platforms like Jumuia usually offer gig workers can freely sign up for work on platforms and only pay a commission fee for every piece of work that is solicited and completed through the platform. However, other platforms such as Upwork, allow gig workers to access additional benefits and services at a fee. They include job posting, talent sourcing assistance, receiving an increased number of job opportunity invites, account management, finance and invoicing support. They are commonly offered as subscription plans that can be tailored to meet different needs of gig workers listed on these platforms.

b. Platforms offer a rating system

Platforms provide review and rating systems which enable employers and clients to provide feedback and rate gig workers on their performance through the same platforms once a task is completed. Apart from providing a reliable avenue for quality assurance, such provision are critical in overcoming lack of knowledge on the quality of work conducted by gig workers for potential employers and clients. All the platforms examined during this study (Uber, Bolt formerly Taxify, Glovo, Little Cab, Nopea, Jumia, and inDriver digital services) provided potential clients with the opportunities to view examples of previous work conducted by the gig workers listed on their platform and to rate them as well. Bolt driver interviewed indicated that this rating feature added value for them: 'On every trip I make the customer is able to rate which gives me room for improvement and work professionally' (Bolt taxi driver). It was established that app taxi drivers who have scored well were able to access certain privileges upon attaining certain milestones. They were given priority in accessing clients for example in busy picking points like the airport thus being able to make more income. The platforms operate centralised customer distribution method known as cloud dispatch hence each driver is assured of customer.

c. Platforms control the brand

Gig companies operating through platforms rely on the jobs brokered through their platform to generate revenue and thus have to attract and retain clients. As a result, they must be selective about those who can operate under their brand. The study established that each company has set up rules which a partner must fulfil before being allowed to operate on their platform. The rules centre on the partners' conduct and personal presentation besides observing all the traffic rules and regulations in the country. The partners must also ensure that the vehicle, in the case of the taxi driver, is in good condition and has a valid passenger service vehicle (PSV) license, insurance, and a certificate of good conduct. They are also expected to abide by the secrecy code, which prohibits them from sharing clients' details and information. In addition, they are not allowed to pack in the taxi slots and pick up customers to avoid parking fees (interviews with Uber, Bolt, and Little Cab drivers).

Partners who deliver food to customers from restaurants are required to have the following: national identity card, food handling certificate, Kenya Revenue Authority (KRA), personal

identification number, certificate of good conduct, health certificate, a bicycle or a motorbike, a mart mobile phone, customer care skills and ability to read and write good English language and Kiswahili (interviews with food delivery partners – Glovo, Jumia, and Uber Eats). These requirements are meant to protect the company's image beside guaranteeing security and quality service to clients.

2.2 Gig workers

a. Employment relationships

Available literature shows that gig economy especially digital platforms aspect has the following key features. One, independent work whereby gig workers have a high degree of control and flexibility in determining either what work to perform, when to perform it, and in some cases, where to perform it from. Two, performing short-term work or on a task-by-task basis for instance giving someone a ride to a given destination in the case of a digital taxi operator. In this case, both the worker and the client or employer recognise the limited duration of the employment relationship. Three, payment per completed task as opposed to those workers who receive a salary or hourly wage. In some cases, in the gig economy, there exist platforms that connect the worker to the consumer in a direct manner, through the use of online-based technology platforms (Genesis Analytics, 2019:10–11).

Information gathered during this assessment echo the same. All the gig workers interviewed indicated that they were fully engaged in their work on full-time but with greater flexibility. Nevertheless, there were digital taxi drivers who own the vehicles they operated while other were employed on certain terms and conditions, for instance what they are expected to remit to vehicle owners per month. Overall, all the gig workers' interviews did not have written contracts thus working in very precarious situations, a prevalent problem within the informal transport sector in Kenya (Spooner and Manga, 2019).

b. Offline or online transport gig workers

Gig workers can further fall into the categories of offline and online workers. Offline workers can be either seasonal or casual. Seasonal workers are those who are engaged for specific periods of the year such as taxi drivers hired to meet increased number of tourists during peak seasons. Casual workers are those that are either engaged in work where their terms of engagement provide for payment at the end of each day or those who are not engaged in work for a period longer than 90 days. These workers have no formal employment contract with the employer and their services may be terminated without notice. All gig work that uses digital technology, or is made possible by such technology, could be considered 'online gig work'. There are other three categories under online gig work depending on the nature of work. They include tech-intensive work, tech-dependent work that use digital technologies to varying degrees and are made possible by technology, and lastly, tech-enabled work that use digital technologies to connect demand and supply. The activity is facilitated by using technology as a tool, but the task can still be performed without the use of technology. This is where app hailing taxi drivers fall (Genesis Analytics, 2019).

In Kenya, there is a growing number of gig workers who rely on the use of various platforms to access work opportunities. However, a significant number of gig work still takes place through direct transactions and the informal sector. A study by Mckinsey and Company (2016)

suggests that a large majority of gig workers in Kenya join this sector of economy because they are unable to participate in formal employment and have no other choice. There are four key segments of independent workers. One, free agents who derive their primary income from gig work and actively prefer it. Two, casual earners use gig work for supplemental income and do so by choice. Some have traditional jobs, while others are students, retirees, or caregivers. Three, reluctants who derive their primary income from gig work but would prefer a traditional job. Four, the financially strapped do gig work for supplemental income, but they would prefer not to have to do side jobs to make ends meet. All gig workers interviewed during this assessment were fully engaged in their respective tasks as their main source of income.

c. Informal transport gig workers by nature of their work

A study by Spooner and Manga (2019) found out that informal workforce in the public transport industry within Nairobi city mainly fall under three categories namely the crew, stage workers; and service providers. Each category has several individuals performing various task. The assessment on gig economy in the informal transport sector in Kenya almost revealed a similar workforce with slight variation. The following categories were discernible. One, crews which comprises drivers or riders and cyclists of taxis, motorcycles commonly known as *boda, boda*, tricycles commonly known as *tuk* and food delivery partners which is currently dominated by motorcycles because they are able to navigate traffic congestion within the city. Two, service providers (e.g. mechanics and spare part dealers) who rely on apps to sell their wares and provide services. Three, managers and owners of both public transport and freight services who rely on digital technology including apps to monitor operations and general management.

Similar study shows that informal transport workers are diverse in terms of demographic characteristics such as age, income levels, educational attainment and gender. They are youthful and male dominated as 70% of the respondents were under the age of 40 while 22% of them were women. More than 50% of the workers interviewed have been in their respective occupations for five years or more. The workforce is largely educated, with more than 60% having completed secondary level, and 18% achieving college graduation. Moreover, 46% of respondent had additional training or qualifications including driving (22%), mechanical engineering (7%), Information and Technology (IT), accountancy, electrical engineering, business management, catering, teaching and others.

Information gathered during the assessment corroborated these findings. One of the Uber drivers interviewed revealed that the vehicles he operated belonged to a lecturer in tertiary institutions while one of the Glovo food delivery partners interviewed indicated that he attained a diploma in Information Technology. He has not managed to secure an IT related job hence the decision to join the platform to be able to meet his bills.

d. Ownership of transport gig companies

Informal gig workers in the transport sector can also be categories into two categories: local and foreign. Foreign one are predominantly the appendages of the multinational companies for example Uber who have invested into the local market. They are the pioneer service providers in this sector tapping into their technology and global leverage. They include Uber, Bolt, Glovo, and Nopea. Overtime, the sector has witnessed proliferation of local initiatives such as Little Cab digital taxis which is an initiative by Safaricom, the largest telecommunications company in Kenya; Jumuia; and so on. There are also local individual service providers not affiliated

to established companies. A case in point is vehicle spare part dealers and vehicle mechanics who rely on telephone apps to sell their wares and offer their services respectively.

2.3 Demand

Demand is the key driver of the gig economy. There are three types of demands within the informal transport gig economy – namely, individual, household, and corporate. Their demand for such services is the key growth driver of the gig economy. Individuals and households have been engaging the services of these workers for many years by engaging informal workers such as taxi drivers, delivery from restaurants and even service providers – for example, mechanics or spare part dealers. Interviews with taxi drivers and food delivery partners (Uber, Bolt, Glovo, and Jumia) revealed that while there was a general decrease in rides during the COVID-19 pandemic because of the cessation of movements, the demand for food delivery from restaurants increased because restaurants were only required to offer takeaway services during the peak of the pandemic.

Platforms are playing a role in meeting the demand of clients, while at the same time assisting in overcoming perceived trust and quality of work factors which have been a main barrier to households' engagement with gig workers. Instead, by engaging gig workers through platforms, individuals or households are assured that the worker has been vetted and trained to conduct a satisfactory job. Additionally, households appreciate that should any problems arise during their engagement, platforms are their first point of contact to resolve this. This is not the case when employing offline gig workers (Genesis Analytics, 2019).

The uptake in use of app driven taxis and freight services in Kenya especially in major urban centres can be attributed to many factors key among them the growing middle-class population, which according to the Kenya National Bureau of Statistics (KNBS) consists of any individual that spends between $236.7 and $1,999.99 per month (KNBS, 2019). The underlying assumption is that this category of people has some disposable income. Other reasons given by the respondents show that digital taxis are much cheaper compared to non-digital ones, they are safer, flexible and convenient. Taxis also confers some sense of status on those who do not own private cars in the sense that they can still use digital taxis to attend occasions at a relatively affordable rate. Overall, there was a general feeling among those interviewed that mobile taxi apps and freight services guaranteed individual safety during the pandemic compared to using public means and eating from the restaurant. Studies show that corporate organisations also do leverage gig workers to perform some of their non-core business functions with the view of cutting cost and ensuring both efficiency and effectiveness. The study found out that Little Cab taxis mainly offer their services to corporate organisations.

2.4 Financing

a. Donors

A review of available information (Genesis Analytics, 2019) shows that there are donor organisations supporting interventions meant to overcome youth unemployment and foster growth of digital employment opportunities. These organisations are mainly implementing programs focused on youth in both rural and urban areas of Kenya that enhance the skills of youth thus enabling vulnerable, disadvantaged youth to engage in entrepreneurship, leverage digital gig work to sustain their livelihoods and increase income. Other initiatives by donors within the

gig economy in Kenya include identifying, testing and supporting both creative technology-enabled and non-technology enabled innovations with the potential to stimulate large-scale job creation and tackle youth unemployment; funding programs that aim to build business ecosystems that support tech start-ups with the potential to contribute to sustainable and inclusive development to grow, become investor ready, and connect them with business and investment partners. Such programs are focusing on an array of enterprises including early stage enterprises, mature enterprises testing new innovations, and non-profit organisations.

The following are some of the organisations involved and their activities: google.org which supports Mercy Corps Youth Impact Labs; MasterCard Foundation which supports youth Africa Works Kenya; the Department for International Development (DFID) which supports Kenya Catalytic Jobs Fund; the Rockefeller Foundation which supports the Digital Jobs Initiatives; Federal Ministry for Economic Cooperation and Development which supports MakeIT in Africa; and the World Bank which supports Kenya Youth Employment and the Opportunities Project. None of those interviewed during the study indicated that they had benefited from these initiatives by donor agencies, an indication that their involvement in the transport sector may still limited.

b. Investors and individual savings

There has been a significant rise in the levels of venture capital funding that seeks to support early-stage platforms functioning across multiple industries. According to the 2018 Kenya Start-up Funding Report, Kenyan start-ups and technology companies closed 2018 with a record $126 million raised over 41 disclosed deals. This means that there was a 136% year-on-year growth in tech start-up funding in 2018, and Kenya piped traditional main rivals, South Africa and Nigeria. According to the African Private Equity and Venture Capital Association (AVCA), Kenya was rated as the 2nd most attractive destination for private equity investment in Africa over the next three years. Such funding is aiding the growth and enabling the proof of business models of direct-to-consumer platforms so as to create a functional informal economy. In some cases, these businesses are efficiently linking gig workers to the market, thereby creating job security and smoothed incomes among workers.

Despite the rise in investments to Kenyan tech start-ups, there is still a significant number of gig platforms in the country that face high barriers in terms of access to seed funding, or larger investments. These platforms lack critical investment to expand their service offering, provide training to gig workers that operate on their platforms, and move in to the new areas of the country. As a result of limited investment opportunities, gig plat-forms in Kenya have been forced to shut-down their operations. SafiSafi, an online platform that links service professionals such as plumbers, electricians and domestic workers to households and organisations, shut down their operations in Kenya in late 2018.

The study found out that there are investors in the country supporting different aspects of app hailing platform operators through credit. They include *IMARI pay* that gives credit for fuel, and vehicle and *boda* spare parts; *One pay* that provides vehicles for a three-year repayment agreement; *Express Kenya* which give loans for vehicle servicing; and *Watu wa* credit loosely translated as 'people of credit' who provide motor bikes on loans so long as the applicant is able to pay $200 at once then commit to pay $3 per month for a period of one year. Other credit facilities mentioned included Car and General; Eko Africa Ltd (Nopea) a Finish Kenya start-up with a base in Helsinki. They install fast charging sports for electric cars besides giving out rental cars for PSV drivers (taxis) at a feed charged daily. Their clients operate on Nopea hailing app. The study also established instances whereby individuals saved money from their own sources

including taking loans from commercial banks to engage in gig economy in the informal transport sector. One of the digital taxi driver (inDriver driver) noted investors in the sector often charged hire rates (25–30%) return on investment at the expense of their clients. He further attributed this challenge to failure by vehicle owners and drivers to come together to start a cooperative society where they can get credit at a favourable rate.

2.5 Policy and regulatory environment

The fifth pillar is the policy and regulatory framework of gig economy in the transport sector. Available information shows that gig work is increasingly within the purview of the Kenyan government. Recognising the potential macroeconomic benefits that come with the evolution of the gig economy and the ability of gig work to reduce unemployment, the government of Kenya has made three significant steps which are quite supportive of the development of the gig economy in the country. The Ministry of Information and Communications Technology (ICT) has come up with two key policy documents which support the gig economy. One of them is a broader policy framework which seeks to deepen digital economy in the country. The document mentions gig economy as a key facet of digital economy (RoK, 2021). The other development was the launch the *Ajira* Digital Program which seeks to increase youth participation in online work. This was done in collaboration with the office of Public Service, Youth and Gender Affairs. The third and the most specific initiative in the public transport sector was the development of the regulations for the operations of digital hailing operators by the National Transport and Safety Authority (NTSA, 2019). Unfortunately, this regulation has not been past due to conflicting interests between drivers on the on hand and platforms owners on the other hand (interview with inDriver driver).

Whereas these are significant developments, there are equally weak areas that need to be addressed in order to support growth of gig workers within the transport sector. It is notable that regulations on app hailing digital taxi operators which have not been past are quite robust on control but weak on social protection of drivers, equal employment opportunities and general working conditions. Moreover, the extent to which some of the provisions in the regulations can be enforced, for example, ensuring that there is a contractual agreement between drivers and vehicle owners, in an authoritative and binding fashion is doutable going by past experiences.

A related critique of the regulatory framework of gig workers is that gig work blurs the distinction between being an employee and being a 'independent' worker. Platforms that operate both locally and internationally in Kenya classify gig workers as independent workers and not employees. Platforms claim to be intermediaries between workers and clients and thus, only set key rules that govern how workers and clients interact with each other. As a result, these platforms do not take responsibility of contributing towards social protection or providing benefits for their databases of thousands of gig workers. It is up to the worker to sign up for social protection such as insurance and pension. Since workers' contributions to social employment is related to their dependence on gig work, those workers who are mainly dependent on gig work as a primary source of income are likely to be less protected than those who do not depend on gig work. The key argument is that in a traditional employment relationship, an individual is economically dependent on an employer, and thus not always in control of various aspects of work life (for example, working hours and choice of tasks). That economic dependency, however, often comes in exchange for some measure of economic security through benefits and protections (Genesis Analytics, 2019).

It is also noted that the regulations for the operations of digital hailing operators by the National Transport and Safety Authority (NTSA) (NTSA, 2019) adopts a narrow conceptualisation of gig workers within the informal public transport sector. The term operator is used to imply on two players the driver and the vehicle owner yet studies show complex work relationships with the informal public transport sector falling under three broad categories namely stage workers, crew and service providers under which spare part dealers fall (Spooner and Manga, 2019). Such a skewed conceptualisation is not helpful to the overall growth of gig economy within the transport sector.

3. Benefits, challenges, and copying mechanisms

3.1 Benefits of platform work

a. Additional and predictable income

Partners of ride-hailing apps interviewed indicated that they derive their primary income from gig work and prefer it to traditional jobs that pay on a monthly basis hence able to meet their daily needs for example food, clothing, shelter besides educating their children and even supporting other dependents. Two of the respondents (Nopea and Bolt) indicated that they were able to expand their businesses from the proceeds of their platform work. The Nopea driver reported that he was able to purchase another car which he leased to another app hailing driver at a target fee of $20 per day. Drivers handling their own vehicles were able to earn an average of $30 per day with some variation depending on the prevailing situation. Food delivery partners within Nairobi City especially Central Business District (CBD) (Uber Eats, Bolt, Glovo, Jumuia Food) interviewed reported that they were able to earn between $5 and $6 per day. The ride-hailing apps thus tend to offer a more predictable income which is not quite common within the informal employment sector which is unstable and precarious in many ways including time taken to search for work. The study also found out that some of these platforms for instance Uber, Bolt (Taxify) and Safe *Boda* provided individual drivers or cyclists a way to advertise their free time and spare vehicle/motorcycle capacity in order to generate additional income thus offer new revenue streams.

b. Other benefits

Clients often require substantial reassurance on the workers performing a task and their ability to trust them. Gig platforms overcome such barriers of trust that would normally exist between a customer and supplier of a service by providing an avenue to build trust. The assurance is based on the fact that workers on platforms are vetted before they are admitted or recruited besides being continually evaluated by previous clients and points displayed for transparency. Additional opportunities offered to gig workers by platforms include training and access to financial services; provision of technical infrastructure for employers to advertise tasks to a large number of potential gig workers spanning geographic areas. Platforms such as Jumuia Food and Uber Eats give restaurants that do not have a food delivery service the opportunity to tap into this revenue stream using their network of workers on their platforms. They also enjoy the sense of being one's own boss due to the flexibility afforded by gig work (interviews with Uber, Bolt, Little Cab, Nopea drivers).

3.2 Challenges and copying mechanisms

a. Weak bargaining power among platform workers

The assessment established that app hailing clients have weak bargaining power and are unable to influence the prices charged by ride-hailing platforms, which use a fixed price model. All the platform riders interviewed decried the failure by platforms to take into account their operational costs, such as the cost of petrol and the time taken to complete a job when setting the prices. To exacerbate this challenge, platforms charge high commission rates but do not account for this in the prices charged to customers. For example, Uber charges a commission rate of 25%, which is substantially higher than other ride-hailing platforms that charge between 10–15%. The drivers further accused these firms of charging low rates to their clients compared to ordinary non-digital taxis yet imposing high commissions on the drivers, leading them to work longer hours with little pay. Consequently, they underscored the need for digital taxi services through their platforms to double their client rates on the one hand and, on the other hand, to reduce drivers' commissions to the companies so they can earn decent wages as captured by this driver. The fare itself has been very low from the word go. The percentage after they get their commission, we get very little returns. Uber charges a 25% commission on each ride, while apps like Taxify charge 15%. The drivers want rates at least doubled per kilometre and commissions slashed to 10% (Uber driver Kenya). Overall, gig workers interviewed demanded revisions of the following charges upwards: rates per kilometre, waiting time, and other considerations (for example, the type of vehicles and introduction of a provision of social protection measures, including contracts with employees).

These deteriorating working conditions due to exploitative and unresponsive corporate practices forced Kenya digital taxi drivers to shut down operations coordinated by the Digital Taxi Association of Kenya, representing more than 2,000 digital taxi drivers in protest demanding a review of their rates and working conditions. Despite this, much has not been achieved, a situation that can be attributed to two factors: dysfunctional formal institutions on the one hand and weak voice by unions on the other hand. The former is characterised by inadequate labour regulations, poor enforcement of existing regulations and overall unresponsive duty bearers. 'All these things are happening where we have government agencies who can [take care of all these things] without having pressure from us. It is not our wish to come here and start demonstrating. Our demand is that we must have regulations. [The pricing] is very skewed in favor of the app companies to the detriment of drivers' (Kenya Digital Taxi Services Director).

The latter is characterised by a poor organisation by members of the app hailing operators. Initially, platforms refused their operators (taxi drivers and those who deliver food in the restaurant) from joining a union and, by extension, the right to picket; this has changed over time. It is now a requirement by the Ministry of Transport that they operate under a duly registered organisations/platforms but not as individuals. Similarly, the same regulation allows app hailing operators to belong to unions which can articulate their work-related issues with their employers (NTSA, 2019).

Despite this development, information gathered during the assessment shows two intriguing phenomena which undermine the efficacy of this initiative. First is failure of some operators to register as union members. All the freight workers interviewed indicated that they do not belong to a union. Moreover, it also emerged that almost 80% of digital taxi drivers within Nairobi do not own vehicles; they operate them (interview with an inDriver taxi driver). As a result, they are at the mercy of vehicle owners. Second is the proliferation and fragmentation

of unions, resulting in conflict of interest. Consequently, they are not able to articulate their members' concerns in a binding and authoritative fashion and hold both the government and platforms accountable on issues affecting their membership.

b. Still competition among platforms

Apart from the lack of adequate labour laws and regulation, the sector is increasingly experiencing stiff competition due to the proliferation of platforms that further make workers vulnerable. For example, in 2016, Safaricom's Little Cab entered the market charging $0.55 per kilometre while Uber charged $0.60 per kilometre, which resulted in Uber slashing its prices by 35% to keep its market share. Despite this, Uber did not revise driver's commission rates to account for this change. As a result, Uber drivers' working conditions deteriorated, making them more vulnerable.

A copying mechanism forced these platforms to introduce new services. For example, Uber's introduced its low cost service called Uber *Chap Chap* in 2018 where a minimum cost for a ride on the platform is approximately $1 compared to $1.50 for Uber's other services and competitors such as Little Cab and Taxify. Drivers on platforms such as Uber, Little and Bolt held large demonstrations in 2017 and 2018 demanding government intervention to regulate platforms pricing and improve working conditions.

c. Imbalanced power relation between drivers and customers

Ride-hailing platforms operate on the notion that 'the customer is always right', which means that any disagreements or grievances raised by drivers usually work in favour of the clients and not the drivers. This becomes challenging for drivers when their safety is compromised or clients refuse to pay upon the completion of a task. There is limited intervention from platforms when disputes arise between a worker and client. Additionally, for workers operating on delivery service platforms, they face high liability as customers have recourse against them. For example, should a package in transit get damaged, lost or stolen, drivers have the mandate to repay clients for the loss or damage. One of the respondents (Bolt food delivery partner) observed that some customers, especially university students, would ask for a delivery only to switch off their phone so as not to receive the delivery leaving the employee with the burden of meeting the cost. To overcome this constraint, local platforms such as Jumia have introduced insurance to protect drivers against this financial burden. However, not all food delivery apps have such provisions.

d. Low access to the internet by women and exclusion from certain occupations by social norms

Even though the flexibility inherent in platform work also enables more women to participate in this sector of the economy, information gathered shows that male gig workers dominate the informal transport sector in Kenya. This observation echoes the findings of a related study on Nairobi BRT labour impact assessment (Spooner and Manga, 2019).

Studies (Spooner and Manga, 2019; Manga et al., 2020; Genesis Analytics, 2019) outline the following reasons for their low involvement. Women are less likely to engage in online work as they are risk-averse, and there is not enough information or sensitisation about what opportunities are available. Moreover, women perceive gig work as being unstable and would rather engage in permanent employment opportunities. Women's limited ownership of mobile technology compared to men leaves them reliant on family members or internet cafes to mediate

their engagement with online platforms, yet the internet is the main digital infrastructure for the gig economy.

Young women also face severe time constraints because of their family and household responsibilities, which further undermines the extent to which they can increase their employment earnings. Furthermore, there exists social norms and occupational segregation that prevent women from engaging in gig work. It is estimated that among the gig workers that operate on online ride-hailing platforms, only 3% are females. Women also experience significant barriers, including difficulties travelling alone due to safety issues, disproportionate unpaid care and domestic workload, and limited opportunities given restrictive socio-cultural norms and associated occupational segregation.

Despite these barriers, ride-hailing platforms in Kenyan still provide job opportunities and contributing to women empowerment by seeking to overcome structural barriers that prevent women from fully participating in the gig economy. For example, recognising that women drivers fear driving at night and hence do not operate on their platforms once it is dark, Little Cabs Kenya, whose platform had 381 female drivers in 2018 has included safety measures such as security alert buttons and use of GPS to track drivers, reducing security risks and thus enabling female driver to feel less insecure to work on their platform, even at night.

e. Effects of the COVID-19 pandemic

The emergence of the COVID-19 pandemic in March 2020 had far-reaching effects on the gig economy in public transport, just like any other sector of the economy. The public transport sector was viewed as the weakest link in the spread of the virus. As a result, the Kenyan government, just like other governments across the globe, responded with a set of containment measures targeting the sector. The COVID-19 National Response Task Force issued the following guidelines: One, restricting citizens' movements from and into some parts of the country (counties) considered high risk of transmission. Two, demanding that vehicle operators provide passengers with sanitisers for washing hands prior to boarding vehicles. Three, maintaining social distance by reducing vehicle carrying capacity. Passengers were also required to wear masks while on board a vehicle as well as in other public places. Lastly, all vehicles except for essential services (which public and private vehicles are not considered to belong) must stop operating between 7:00 p.m. and 5:00 a.m. The government gradually eased these measures as infection rates declined.

The guidelines which were intended for the overall public good had negative effects. All gig workers interviewed reported a decline in income due to a lack of regular customers, mainly because of the cessation of movements. The rise in the cost of fuel and bribes to traffic police officers whenever one operated beyond the car few hours further exacerbated the situation. Analysis of data obtained from taxi drivers estimates a decline in their daily income by an average of almost $100 to an average of $30 per day. Even though the government came up with intervention measures to support businesses during thing period in terms of financial support in various sectors of the economy, it mainly benefited established corporates within the transport sector, Kenya Airways being one of them, yet the informal transport sector employs the majority of workers in the sector. There were also reported incidences of arrests, confiscation of taxis, and flogging of drivers and passengers past curfew hours under the pretext of enforcing the requirement.

The assessment established that gig workers adopted different copying mechanisms to make up for the decline in income. All the digital taxi drivers interviewed admitted that they occasionally disengaged the ride-hailing app so as to avoid remitting far for such trips to the

company. They also occasionally turned down requests for trips which, in their view, attracted less payment in order to save fuel for longer trips. The assessment also established that they had side hustles. A case in point was one of the Uber drivers who indicated that he was a pastor in his church and occasionally received support from his congregation in the form of tithe.

The study also found out that there were instances of loan default as well as exiting operations within the sector. A food delivery partner with Glovo mentioned instances when some of his colleagues informally operated more than one app to make more income. Those who operated beyond the curfew hours either paid bribes to police officers manning road blocks or opted for informal routes in order to evade arrests. There were instances whereby some ride ailing operators turned violent whenever they were confronted by police officers manning road blocks.

4. Future of work in the gig economy in Kenya's informal transport sector

Available information shows that the future of gig economy in Kenya is quite promising as more platforms will continue to enter the market. But again, even with the exclusion of the new entrants from the outlook, it is estimated that the total size of the online Kenyan gig economy in 2023 will reach $345 million and will employ a total of 93,875 gig workers. Overall, growth of the sector in terms of earnings and workers is projected to be 33% and 27%, respectively. Key growth 'sectors' in terms of earnings will include ride-hailing platforms (37% average annual growth) and blue-collar matchmaking platforms (63% average annual growth) (KNBS, 2019; Genesis Analytics, 2019).

The size of the offline economy is largely driven by population growth, individual sectoral growth and inflation rates for average earnings. The growth in workers per sector is determined by the Government's future outlook on certain sectors, and the earnings in each sector are grown based on inflation and historical sectoral wage earnings as provided by the KNBS. The overall offline gig economy will reach $28.95 billion in 2023 from $19.6 billion in 2019 and will employ a total of 5.7 million workers. It is predicted that key growth sectors for employment and earnings will include manufacturing, construction, trade and hospitality (Genesis Analytics, 2019; KNBS, 2019).

Similarly, there are signposts that the future of work in the gig economy in the public transport sector is bound to increase in number and form. The transport and communication sector is, for instance, expected to grow in line with historical trends, and the number of gig workers is expected to grow from 0.44 million to 0.49 million (annual growth of 2.7%) workers by 2023. The total size of this offline sector will reach $4.1 billion from $2.9 billion in 2019. The main metric for growth is demand-led based on the number of users. By keeping the ratio of drivers to riders constant it is anticipated that the total number of Uber drivers will reach 19,321 by 2023. While the number of online motorbike drivers will grow from 8,000 to 15,908 implying an absolute growth of 75% over the next four years. Average earnings across the board are expected to grow in line with inflation. Therefore, by 2023 the total online transport sector is expected to reach $161 million from $45 million in 2019. The number of workers is expected to reach 35,229 from 13,000. This implies a growth rate of 37% for earnings and 28% for the number of workers (KNBS, 2019; Genesis Analytics, 2019).

It is also notable that the rise in gig economy uptake will increasingly take different forms and dimensions in the future. One, the country is most likely to see the operation of ride-hailing platforms in many urban centres across the country, especially county headquarters, which are not the main units of economic growth in Kenya. The platforms currently limit their

operations to only major places like Nairobi, Kisumu, Mombasa, Nakuru and Eldoret. Two, there will be an expansion of gig workers within different aspects of informal work. Currently, the dominant feature of gig work within the public transport sector is taxi-hailing apps (in the form of cars, three-wheelers, and motorcycles) and freight services, with limited presence in service provision (e.g. mechanics and spare part dealers) and vending. Related to this is the proliferation of locally run platforms, which may have a far-reaching implications on multinational companies in the country given the innovative culture of Kenyans going by the number of local taxi-hailing apps so far *vis-a-vis* the foreign ones, thus altering the power relations in a big way with far-reaching implications.

Overall, the future of the gig economy in the informal transport sector economy in Kenya will be driven by the following factors: increasing level of unemployment among youth people, increasing levels of internet connectivity and cell phone ownership, and the general innovative and entrepreneurial culture of young Kenya.

5. Conclusion

This chapter sought to explore the various dynamics of gig workers in the informal transport sector in Kenya. While appreciating the conceptual challenge of the term 'gig economy', the assessment was limited to those who access work opportunities within the sector through digital platforms. It found out that the gig economy in the informal transport sector rests on the following key pillars: digital platforms, which are different in structure and type of work; demand, which comprises individual, household, and corporate aspects; financing models (donors, investors, and individual saving and loans); and the existing policy and regulatory framework, which continues to evolve.

The gig economy in the transport sector is dominated by mobile taxi apps and freight services like food delivery apps. Nevertheless, there are also spare part dealers who rely on apps to sell their wares though their number is minimal. Multinational apps like Uber and Taxify initially dominated the sector. However, there are increasing presence of local apps competing for the same market niche hence stiff competition. Workers in the digital economy in the informal transport have multiple benefits key among them income. Despite this, the following factors currently threaten the sustainability of such benefits: weak bargaining power among platform workers due to inadequate labour laws, fragmented app hailing unions; low access to the internet by female informal transport workers and their exclusion from certain occupations by social norms; and decline in income due to the prevailing COVID-19 pandemic. These challenges have forced gig workers in this sector to adopt various copying mechanisms with mixed outcomes.

These challenges notwithstanding, the future of the gig economy in the informal transport sector remains promising due to several factors; key among them are an increase in the uptake in mobile phone possession and access to internet connectivity among young people and women, improving digital infrastructure, and the new policy framework which seeks to deepen digital economy in the country. Nevertheless, a lack of a robust regulatory framework can enhance working conditions for workers, including competition among platforms, and the organisation of gig workers can undermine such gains. In any case, such a framework must take into consideration different categories of an informal workforce in the transport sector besides having an effective enforcement mechanism to ensure compliance by platforms. Similarly, it should provide incentives for gig workers to organise in a more coordinated manner with less fragmentation. This requires awareness creation and adequate infrastructure cognisant of different forms of power relations within the informal public transport sector on the one hand and the gig economy on the other hand.

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THE GIG ECONOMY AND THE FORMATION OF NEW PLATFORM TRADE UNIONS IN SOUTH AMERICA

Laura Perelman

Although the increasing precarisation of work is a structural trend of neoliberal globalisation, the gig economy has gone further on this path, massively relying on spurious self-employment and limiting access to labour rights and union protections. In this context, the legal status and labour conditions of platform workers have been a contentious field, crossed by growing protests and conflicts in several countries.

Gradually, workers' collective action has led to organising efforts and, in some cases, the formation of new labour unions. This process developed against a challenging background, marked by notorious market power asymmetries, lack of legal protection and governments' reluctance to regulate. Also, in most countries, traditional unions' responses to gig workers' organising efforts have been quite ambiguous.

This work addresses the rise and establishment of the *Argentinian Association of Platform Workers* (APP), the first union of delivery platform workers in Latin America. This case study will be informed by the *power resources theory* (PRT), which centres on the dynamics of power accumulation by workers' organisations in the context of specific market, institutional, associational and social conditions (R Berins Collier, VB Dubal, and C Carter, 2017). Moreover, this article seeks to advance a conceptual framework for a comparative analysis of unionisation across countries in order to identify the structure of opportunities and challenges for gig workers' organisation (S Etchemendy and L Perelman, 2018).

1. Introduction

This article analyses the organisational process experienced by delivery platform workers in Argentina from the analytical perspective of the power resources theory (PRT), which centres on the dynamics of power accumulation by workers' organisations in the context of specific market, institutional, associational, and social conditions.[1]

The research addresses the rise and establishment of the *Association of Platform Workers* (Asociación de Personal de Plataformas, its acronym in Spanish is APP), the first union of delivery platform workers in Latin America, in the context of the accelerated expansion of transnational delivery platforms in the local market for food delivery.

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As we will analyse in the article, APP emerged as a consequence of workers' associational efforts in an exceptional context before the expansion and consolidation of delivery platforms.

The analysis focuses on the main obstacles that affected the associative capacity of workers and the consolidation of the new trade union. These obstacles are related to the unprecedented resources offered by the gig economy to control and discipline the workforce, the political and institutional restrictions that APP faced to obtain legal union status and the institutions regulating trade union activity, which affected the possibilities for APP to generate alliances with traditional trade unions.

First, we discuss the impact of the gig economy on the labour markets and the novelties that introduced this model. In the second section, we analyse, from the analytical perspective of the PRT, the possibilities and restrictions of the gig workers to accumulate power to defend their interests. In the third and fourth sections, we analyse the specific process of APP's organisation and the opportunities and limits facing the organisation to date.

This study has drawn on a variety of secondary sources such as previous studies, surveys and news information. Key insiders were interviewed to analyse the process of trade union organisation of platform workers. Finally, administrative and judicial records were consulted, which are directly related to the institutionalisation of APP and recognition of the work-related nature of employees' activities.[2]

2. Gig economy: continuities and discontinuities in trends towards job insecurity

Globally, an increasing number of workers have unstable employment, earn low incomes, and have restricted access to labour rights and social security.

Different factors explain the increasing precariousness of the labour force, and its regional impact depends on factors such as the productive structure, type of insertion in the world market and in global value chains, and the institutions that regulate labour relations and social security. In developed countries, the precariousness and informalisation of work are associated with the growth of atypical forms of employment in the structure of labour markets (R Hyman and R Gumbrell-McCormick, 2017). In developing countries, the expansion of precariousness takes place in the context of labour markets with high historical and structural rates of informality.[3]

Through processes of productive relocation and labour outsourcing, stable workers are transferred to subcontractors companies that offer unstable jobs and lower wages (S Etchemendy and L Perelman, 2018). At the weakest links in the chains of subcontracting, employment tends to be directly informal, as is the case of the clothing industry (M Mangini, 2018).

In recent years, the debate has focused on the impact on the labour market of new digital technologies, such as big data, artificial intelligence and robotics. Authors such as C Frey and M Orsborne,(2013) project a pessimistic scenario dominated by high rates of job destruction and a deepening of the dualisation processes in the labour market between highly skilled non-routine jobs – with low risk of automation – and low-skilled non-routine jobs.[4]

The accelerated expansion of the gig economy seems to confirm this unpromising path. Organised through digital platforms that bring together a multitude of workers available online, the gig economy allows structuring of a cyber-coordinated (R Berins Collier, V B Dubal, and C Carter, 2017:2) and hyper-flexible labour market: workers can be hired to perform specific tasks or microtasks, not receive remuneration for the waiting time between assigning tasks and, hired as freelancers, do not have access to labour rights.

The gig economy includes 'crowdwork', working activities that imply completing a series of tasks or microtask through online platforms, and 'work on-demand via apps' that organise activities mainly based on physical work (V De Stefano, 2016).

The so-called delivery platforms belong to the category of 'work on-demand via apps' that demand a low level of qualification. Although they tend to present themselves as intermediaries between clients and suppliers, the platforms generally organise the work and the conditions of service provision, determine rates of pay unilaterally, concentrate client data and contacts, and reserve the right to 'disconnect' workers. This distinction is of central importance when it comes to establishing the kind of applicable regulations in each case, both from a tax perspective and from the perspective of labour legislation, as both characteristics offer clear indications of the service providers' status as dependent workers (J M Ottaviano, J O'Farrell, and M Maito, 2019).

Although work on platforms is part of the trend towards the diffusion of atypical forms of employment and the informalisation of work (V De Stefano, 2016) – or the last stage of its development (A Tassinari and V Maccarrone, 2020) – its disruptive nature resides in the fact that this organisational model provides employers with new tools to organise companies based on the massive use of spurious self-employment.

Its impact is not just reduced to adding new jobs to the stock of precarious jobs. Its innovative power lies in the capacity of this organisational model to dilute the figure of the employer under the 'facade' of a virtual application (or 'interfaces', N Srnicek, 2018). To do this, the platforms qualify workers as independent providers or micro-entrepreneurs, in tune with the legitimate aspiration of workers to control their labour activity. However, through algorithmic management, companies tend to exercise strict control over the pace and intensity of work activity and impose disciplinary mechanisms and rules that are generally unknown to workers. Through sophisticated monitoring systems, the platform measures productivity parameters and records the real-time location of workers (V De Stefano and S Taes, 2021) and the connection time to the platform.

The gig economy model is efficient for companies even though workers could experience a negative equation between productive work time and unproductive work time. The continuity of the provision of the service on demand is based on a flow of available workers 'just in time' (V De Stefano, 2016) who circulate uninterruptedly according to variable demand. In this way, companies structure their activity based on an almost zero stock of employees, with the exception of jobs directly linked to the operation of the platforms.

3. Organisation of the platform workers: old and new problems

The growth of atypical forms of employment and the informalisation of labour relations have had a negative impact on unionisation levels and on the ability of unions to represent the interests of the working class.[5] These trends vary considerably between countries according, among other factors, to the structure of labour markets and the institutions that regulate labour relations. Workers in atypical labour ties tend to be less predisposed to unionise, among other reasons, because they face greater vulnerability to anti-union business strategies. In the case of workers hired as freelancers, or directly informally, they are not usually covered by the regulations that enable unionisation. Given that precariousness affects young people to a greater extent, this trend could also deepen the loss of representativeness of unions due to the aging of the unionised population and its replacement by non-unionised workers (R Hyman and R Gumbrell-McCormick, 2017; J Visser, 2019).

This situation has posed a serious dilemma for the unions: defend their closest core or expand their organisational resources to groups of precarious workers (R Hyman, 2015). Unionisation efforts can be evaluated as costs (J Kelly and E Heery, 1989), in relation to the expectation of recruitment or permanence of workers in the organisations due to their greater instability in

jobs, the rotation between activities. In this case, the actions of the unions can even crystallise the divisions imposed by capital, consolidating a greater dualisation of the labour market.

Although it does not seem to have been a dominant position, there is a tendency on the part of unions to allocate resources for the organisation of workers far from their nucleus.[6] In some cases, they do it to reverse the trend towards the loss of members, but also to put limits on the deterioration of employment conditions, which could end up degrading the standards to which its members have access.

Given this scenario the question is how can workers resist growing insecurity (R Hyman and R Gumbrell-McCormick, 2017). Does the gig economy particularly affect working-class associational power?[7] What role do or will unions play in representing the interests of gig-workers?

The power resources approach proposes an analytical framework to evaluate the opportunities and limits that workers' organisations face in developing strategic actions in defence of the interests of workers. This perspective is also proposed as a tool to strengthen trade union action, starting from the empirical analysis of learning processes, achievements and setbacks generated by workers' organisational experiences (S Schmalz, 2017).

To this end, unions count on different resources and face restrictions and challenges, depending on a number of factors. These mainly include the positions of workers in the production structure, the general situation of the labour market and the employment structure of a given business, the regulatory framework of the trade union activity, the level of workers' associational activities, the capacity of workers' associations to generate alliances with other social actors and to defend and forward their interests in public debates (S Schmalz, C Ludwig, and E Webster, 2018).

These factors can be distinguished and grouped analytically as dimensions of trade union power: structural power, associational power, institutional power and societal power. Power resources are interconnected, so each of them affects power aggregation capacity in other spheres. However, there may be more or less favourable scenarios for power aggregation in each of the dimensions or other ones in which a weakness in one sphere may be offset by a strength of another. Therefore, the power resources approach proposes a relational, dynamic and history-oriented approach to analysing the evolution of trade union organisations.

Structural power depends on the strategic position of workers in the economic system and their ability to interrupt or limit the benefits of capital through actions such as strikes and sabotage, among others.

In the case of delivery platforms, the interruption of the production cycle can have adverse effects on companies because of the importance of offering the service on-demand immediately. Disruptive action has a negative impact on the relationship between companies and consumers; it affects companies' reputation and capacity to retain clients or expand the network effects (N Srnicek, 2018).

Power is always a relational concept (E O Wright, 2020), so the ability of workers to interfere in the cycle of capitalist accumulation depends on the ability of employers to counter the collective actions of workers. In this sense, the specific characteristics of algorithmic management offer employers new tools to control or reduce workers' power production.

The fact that the distribution of tasks is carried out through a digital application implies that workers do not converge in a common space in the company, which a priori could make it difficult to coordinate massive collective actions. What's more, through algorithmic management the platforms can immediately generate strong incentives to replace workers engaged in collective actions. Due to the opaque nature of algorithmic management, workers are unaware of the possible effects that participating in a collective action might have on the allocation of orders and the rates they earn. As a result, workers may be less willing to take cohesive collective action

against management for fear of retaliation (A Tassinari and V Maccarrone, 2020). In addition, although workers whose main activity is working on platforms may have greater incentives to participate in collective actions, at the same time, they are more vulnerable to the application of sanctions that affect their main income.

On the other hand, the structural power of workers is limited by low market power due to the strong presence of migrants in an activity characterised by precarious labour integration in a low-skilled business activity with very low barriers to entry and exit to employment (N van Doorn, F Ferrari and M Graham, 2020; K Vandaele, 2020; L Perelman, M Mangini, B Perrot, M B Fierro and M S Garbarz, 2020). In this sense, employment created in this kind of platform has a direct impact on the local labour market, but also, the workers' availability to work at these companies depend on general conditions of the labour markets, such as the level of unemployment and informality. In this context, the platforms offer a special opportunity to immediately generate income to workers with greater difficulties in obtaining employment. For this reason, the activity attracts mainly young people, especially migrants who in general have a more disadvantaged position in labour markets or, in many countries, restrictions to obtain legal residence.

In comparative terms, depending on the characteristics of the labour market, platform workers can obtain higher income compared to similar jobs in precarious and/or low-wage traditional sectors (E L Mourelo, 2020) even at the cost of submitting themselves to long working hours that exceed legal limits and increasing the risk of accidents. But it can also be an attractive option for workers who privilege flexible hours over safety and access to labour rights because working on platforms is a secondary labour activity. This may also be due to other precarious or low-income insertions that imply the need to generate extra income (R Berins Collier, V B Dubal, and C Carter, 2017). The level of segmentation of workers (nationality, level of economic dependency) hinders possibilities to develop solidarities and professional identities. Workers who have an occasional link with the platforms are also more difficult to organise since they may have less identification with the activity, or they may overvalue the flexibility in the link with the platform over working conditions.

The lack of recognition of the employment relationship often places workers outside the representation of institutionalised unions. At the same time, in many cases, workers do not directly have the right to organise and bargain collectively, which leaves them outside the rules that protect union activity.

Considering the features of the Gig Economy, such as individualisation, dispersion, and the ubiquitous control of algorithm management, a low probability could be expected for the development of labour identities and the construction of unity and solidarity (A Tassinari and V Maccarrone, 2020), necessary but not sufficient conditions for collective organisation and active resistance. Furthermore, given the unbalanced power relations between workers and platforms, organising and collective action by these workers might have seemed unlikely.

But nevertheless, a protest wave[8] of delivery platform workers kicked off in London in 2016 (K Vandeale, 2021). Notably, these experiences had many features in common, despite the different economic and institutional contexts in which they developed and the level of segmentation among the groups of workers[9] (proportion of migrants, different levels of dependence on gig work).

The trigger point behind the protests and mobilisations were very similar in all cities and countries and were related mainly to changes from dependent employment relationships to a contractor status and a shift of payment policy from an hourly wage to piecework payment. Although the initial working conditions differed between platforms, what was intolerable for the workers was the change of rules that unilaterally companies imposed. In most of the registered experiences, protests were initiated by self-organised worker groups who expressed their discontent through

a wide repertoire of collective actions (V Trappmann, L Bessa, S Joyce, D Neumann, M Stuart, and C Umney, 2020). The ability of workers to organise collectively was based on pre-existing networks and identities based on the shared migratory conditions of workers, or networks built at strategic meeting points in public spaces conducive to social interaction, where numerous workers converge due to business concentration. Digital connectivity was a central support to amplify networks and coordinate actions. In this way, collective actions will give visibility to the associative networks and their capillarity in the groups of platform workers.

One of the main differences pertains to the role of conventional trade unions, mainly if they gave support to self-organised workers or not. In some cases, the role of the trade unions was ambiguous or directly openly opposed to the incipient organisations of platform workers. The state intervention to regulate platform labour, and their capacity to impose labour legislation, also was very different between countries. In some countries, the state intervention tended to regulate platform activity and guarantee minimum labour standards.

Differences in the mode of state intervention[10] and in the strategy of the conventional trade unions were mainly linked to the institutional framework that regulates labour relations, pre-existing trade union traditions in organising precarious workers, and the political orientation of governments.

Different national contexts imposed more or fewer restrictions and limits on platform workers to accumulate power in defence of their interests.[11]

The following sections present the process of organising the first union of workers in Latin America and the limitations it faced in the Argentine context.

4. Organising the union

4.1 Delivery platforms in Argentina

In 2018, the company Rappi, founded in Colombia, and the Spanish company Glovo[12] entered the Argentine market. Until that date, the national market was monopolised by the Uruguayan company PedidosYa. In all cases, these are companies with a strong transnational presence, which compete in local markets to expand their fleet of distributors and attract them in the shortest possible time with the largest volume of users. Although they present themselves as intermediaries between clients and suppliers, these platforms organise the work and the conditions of service provision, monitor workers' performance, assign tasks, determine rates of pay unilaterally, concentrate client data and contacts, apply disciplinary measures (which may include reductions in commissions paid and the non-assignment of orders), and reserve themselves the right to disconnect workers.

Refusing to recognise the employment relationship with the vast majority of their staff is part of these companies' strategies to reduce labour costs by offering low prices and thereby increasing both their scale of users and their market value. In February 2019, PedidosYa, the only company to set up its own fleet of delivery vehicles which were driven by company employees, laid off 450 workers and began its transition towards a self-employment model.

In this way, the majority of delivery workers are contracted as self-employed workers via the *monotributista* figure, a single tax regimen for small self-employed that concentrates social security contributions and tax components. Under this regime, workers do not have access to labour rights and union protections and receive pay on a per-delivery basis. It is not exceptional to find employers that use the *monotributista* figure to fraudulently hire workers.

In Buenos Aires City, the delivery platform workers constitute a relatively homogeneous group, both in socio-demographic terms and in relation to the platform working. According

to the main surveys available,[13] the sector is strongly male-dominant, with a high prevalence of young immigrant men with above-average levels of education. Many of these migrants, recently arrived in Argentina,[14] found in the platforms the opportunity to quickly generate an income in a context in which job offers were scarce, precarious and poorly paid.[15] Most workers choose to work on the platforms because they cannot find another job, have a high economic dependence on the income generated on the platform and dedicate many hours a day and many days a week to collect enough income to cover their main needs. In this way, for the majority of delivery workers, working on the platforms is their main work activity and almost exclusively. The low level of segmentation of workers in terms of nationality or type of economic dependence on platforms, as we will see, was a relevant factor in developing solidarity and professional identities.

4.2 The association strategy: collective organisation, strikes, unionisation

The first step towards organising delivery platform workers was taken by a group of workers who were working for the platform Rappi. The process of organisation began a few months after the platform began operating in Argentina and developed at a breath-taking pace, characterised by a strategy of carrying out union interventions at various levels within the context of labour disputes in response to anti-union company actions and with the aim of building institutional opportunities.

The process was initially triggered by the company's unilateral decision to change the algorithm for the assignment of orders. At that time, Rappi had been operating in the country for only six months, and its strategy had concentrated on drawing up contracts with food and restaurant chains allocated in the busiest neighbourhoods and recruiting workers by offering them a high level of autonomy in the organisation of working. In this way, orders were offered in a collective pool, allowing workers to visualise the available orders and to choose or reject them at their convenience.

But in the next stage, the company implemented changes in the working conditions with the objective to expand its operations to more remote neighbourhoods, reducing the autonomy of workers and intensifying the rhythm of work. This strategy was implemented by means of three fundamental changes in the algorithm operation: orders were assigned personally, and the most senior workers were allocated the most remote – and hence worst-paid – points of delivery, and a system of bonuses and sanctions pegged to the percentage of accepted and rejected orders was implemented, which included the temporary suspension of those workers who had rejected more orders than expected by the platform.

Workers were not previously informed of those changes and discovered them due to the effects on their working conditions. As a matter of fact, workers had the feeling that they were 'pedalling more and earning less' while they lost the freedom to manage the duration and intensity of their working days. In this way, the workers clearly visualise that the promise of autonomy is not such and that the resignation of labour rights only favours the company in its policy of reducing labour costs.

At that time, Rappi's delivery staff did not exceed 1,000 workers, many of whom knew each other and met regularly while they were waiting for orders in places of highly concentrated demand. A vast majority of them participated in WhatsApp groups, where they shared work-related information and made friends. In addition, young migrants shared previous relations based on the support networks they had established at the time their compatriots had arrived and established residence in the country. This meant that many workers shared their places of

residence, their spaces of socialising and recreation, or personal friendships based on their common identity as migrants.

Within this context of discontent, a group of senior and more experienced workers took the initiative to call an initial meeting to discuss the changes in their working conditions. This meeting took place at the time of peak labour demand at three squares in the City of Buenos Aires on Sunday, 15 July 2018. During their meeting, workers decided to remain connected to the application and receive the assigned orders, only to turn them down about two hours later. In taking this action, which was the result of improvisation at the meeting, Rappi delivery riders carried out Latin America's first platform strike, provoking the disruption of the delivery process. As a result, the orders were freed again, and the platform increased its rates to motivate workers to accept the increasing number of orders. After the action had finished, pay rates began to decrease, although they remained above the original level. In addition, the company stopped charging the cost of the transport box, which had previously been sold to the delivery riders. Workers evaluated those outcomes as a victory achieved through their collective action.

The day after the strike, workers elected spokespersons for each region and decided to present their demands at the company's offices: return to the possibility of turning down inconvenient orders, increased rates per ride, and a plan for a transition to formal employment contracts. The company refused to suspend any of the changes it had introduced to its algorithm and negotiated with the representatives of the Asociación Sindical de Motociclistas, Mensajeros y Servicios (ASIMM), the union that has the legal representation of the couriers in the City of Buenos Aires, to hire five workers through a subcontractor company. This offer was rejected by the spokespersons because it did not change the working conditions for the majority of the workers. From this moment on, an open conflict broke out between self-organised workers and ASIMM, who were in a better position to negotiate with the company within the framework of the legal norms that protect union activities in Argentina.

In this context, delivery workers started an informal dialogue with Rappi but were unable to achieve any progress regarding their demands. In addition, the company continued to deepen the changes in the algorithm, restricting the autonomy of the workers and deepening the control mechanisms. In this context, one of the workers' delegates was permanently blocked by the platform. Against this background, workers discussed the need to move forward towards the formal establishment of a union organisation. They opted for this strategy as a defence against the risk of an anti-union offensive; activists had become visible to the company and could be identified and sanctioned.

According to the interviews, contacts with legal activists specialised in labour legislation which had been established during the conflict were crucial to making sure that organisational progress would not be completely blocked by the companies' anti-trade union actions.

Barely three months after the first collective action, a group of 53 platform workers met at the Autonomous City of Buenos Aires square for the founding assembly of the Association of Platform Workers (APP). Two days later, the organisation appeared before the Ministry of Labour, Employment and Social Security, where it submitted a formal application for registration as a union with the Labour Department's National Office of Trade Union Associations. As established in article 1 of the Statute, the APP is constituted 'as a first-degree union entity, which will group workers who are linked and/or hired through digital and/or computer platforms' on demand by means of computer applications, online platforms, 'crowdworking', and/or any other computer means that will replace them in the future, they provide personal and usual services in companies dedicated to the land transport of things and/or people. In this way, the new organisation expresses its aspiration to obtain a wide legal representation of the platforms dedicated to transport and delivery activities.

The presentation at the Ministry of Labour was accompanied by just over 100 workers on bicycles, dressed in their uniforms identified with companies and carrying the typical boxes to make the deliveries. The objective of this action was to show the representative character of the new organisation, to pressure the authorities of the Ministry to initiate the process of formalising the union and to give public visibility to the demands by carrying out the mobilisation in the administrative centre of the Buenos Aires City.

After presenting its application for registration, APP's secretary-general sent a formal note to the platforms operating in the country informing them of its application for registration with the Labour Department, the scope of the representation APP intended to achieve and the names of the members of its Executive Committee. In Argentina, such proceeding is common when a union starts moving towards formal recognition to make sure that its representatives receive the protection afforded to associations.

However, none of the companies acknowledged receipt of the notification, and Rappi immediately put an end to the ongoing informal dialogue with organised workers. In the ensuing weeks, the number of offers received by APP-affiliated workers started to diminish, a fact that was interpreted as an anti-union move on the part of the company. As a response, workers decided to go to Rappi's headquarters and requested a meeting with company managers. The trade union delegates were received by non-managerial staff in the presence of four policemen and three other unidentified persons. In this context, company representatives assumed an intimidating demeanour, and the meeting came to an immediate end. A few hours later, members of the APP's Executive Committee were permanently blocked by the company.

In response, the APP sought an injunction before a labour court requiring RAPPI to immediately cease its anti-union and discriminatory practices.

The complaint filed by the APP also denounces the unilateral modifications the company carried out with the algorithm for assigning tasks because it exceeds the management powers as recognised by the Contract of Employment Law and the wrong qualification of delivery riders as autonomous workers.

The first instance ruling by the judge in charge accepted the injunction sought by the claimants and ordered Rappi to cease its anti-union conduct recognising the right of APP union delegates to have special protection according to rules that regulate trade union activities in Argentina.

Rappi appealed the ruling, challenged the first instance judge and refused to reintegrate the dismissed workers. The National Appeal Chamber decided on the appeal submitted by Rappi, deferring the decision about the injunction until the presentation of proof and instructing the judge to decide upon the nature of the employment relationship between platform companies and, in this way, reaffirming the competence of the labour court system to decide respect to the substantive issue.

Respect to the application to register APP as a trade union entity met with institutional obstacles at two fundamental levels: (1) at the structural level, with the regulatory framework not taking into account the specific, exceptional features of the predominant labour management model of on-demand labour platforms, and (2) at the circumstantial level, due to state interventions opposed to the extension of the space of worker representation.

Analysis of the administrative treatment of the file offers some insight into the substantive conflict caused by the APP and the political nature of its struggle for recognition that involved the assent of any state intervention to regulate platform activities.

The first report from the Union Office objected to the absence of employer social security contributions that prove the employment relationship between APP members and the companies where workers offer their services.

This report served as the basis for its opinion one year later, in which it disputes the application submitted by the workers on the basis of Article 19 of Decree 467/88 regulating the Professional Associations Law (Law 23,551). This article stipulates that the list of members must include their place of work, and the enforcing authority may request proof that they actually work in the labour activity, which constitutes the personal environment of the union association. As a result, the impossibility of workers to prove their employment relationship with the platform companies has become the main obstacle against institutional recognition of the APP as a first-level union entity.

In its formal reply to the ministry's requirement to demonstrate the working relationship, APP stresses the status of total informality, precariousness and lack of protection of the organisation's workers, as companies refuse to recognise them as employees. Once again, APP explains that it is precisely due to a situation that makes it impossible to comply with the requirements of a system which denies the labour-based nature of the relationship that there is an urgent need for regulating intervention by the enforcing authority to ensure legal recognition of APP as a first-level union entity.

The recognition of the APP as a union entity was found not only with legal obstacles but also with a negative political environment to institutionalise the associative power of workers. State intervention in the years of the neoliberal, employer-friendly government of President Mauricio Macri (2015–2019) worked toward a reduction in the power of trade union associations through two channels: notifications of unions with little activity to regularise their situation and refusal to register new unions. During the first two years of the government's term, only nine organisations were registered, compared to an average of 60 annual registrations during the period 2003/2015 (P Ventrici, 2019).

Unlike other international experiences, self-organised workers did not have the support of traditional union organisations. As we saw, once the conflict broke out at Rappi, ASIMM entered into direct negotiations with the company, ignoring the spokespersons who were representing the workers who had initiated the protests. The courier union oriented its strategy to pressure the state to recognise ASIMM as the union representing the delivery platform activity and to intervene in the classification of the labour relationship between workers and platforms or, on the contrary, to prohibit the platform activity. In this sense, in 2019, ASIMM supported a court ruling that prohibited the activity of the distribution platforms until they complied with labour legislation, adopting a position contrary to that of APP since the measure immediately implied the loss of employment for the workers[16]

The strategy adopted by ASIMM is not an exception in the Argentine union tradition. Most unions have not made significant efforts to organise precarious workers or to actively support grassroots organisations that represent these groups of workers.[17] On the contrary, they have mainly concentrated their union action on the defence of wage earners registered with social security (S Etchemendy and R Berins Collier, 2008), who are those who are in a position to formally join a union.

The institutional framework that regulates trade unions activity explains, in part, ASIMM's strategy of prioritising its positioning as the exclusive representative of platform workers and confronting an autonomous grassroots organisation, which originates from a broad associative potential and which, in the future, could dispute the representation of platform workers.

The essential features of the union structure have developed on the basis of the institutional design, with the main contours and features being established in the 1940s and 1950s, during Peron's first and second presidency: granting union recognition (personería gremial) to the trade unions with the most members, the prevalence of branch or professional unions over company-based unions, exclusive participation of recognised unions in collective bargaining (monopoly

of representation), and the authority of the state to approve or contest collective bargaining agreements and its authority to grant workers' organisations the status or their registration as unions (A Marshall and L Perelman, 2004).

The key historical institutions regulating trade union activity contributed to shaping traditional union strategies and member recruitment practices. The unions that legally obtain union status (personería gremial) have access to alternative sources of financing, which do not depend exclusively on the volume of members, for example, through the inclusion of agency shop clauses in collective agreements[18] (no members are obligated to contribute financially to the union with a monopoly of representation). At the same time, these resources are usually used by unions to offer, through selective services, incentives for membership among workers represented in collective bargaining (A Marshall and L Perelman, 2004). In this way, many unions concentrate greater efforts on expanding their base of representation by incorporating companies or activities in the orbit of their collective agreements than organising precarious workers or making campaigns or specific efforts to recruit new members to join the union[19] (A Marshall and L Perelman, 2008).

In the context of the lack of support from traditional unions, the decision of APP to submit an urgent request for registration as a formal union organisation at the Ministry of Labor was initially a defensive strategy and resulted from the threat that Rappi might take retaliatory and anti-union measures.

Although there are significant differences regarding the powers to intervene between legally recognised unions and unions which are simply registered, the latter are allowed to collect membership fees and file complaints against discriminatory treatment before a labour court when delegates are laid off.

In this sense, the absence of a decision in favour of the registration of the APP by the Ministry of Labour has left union activists without protection and created adverse consequences for the organisational process under their leadership. The absence of union protection weakened the capacity of union activists to increase organisational density, carry out collective action and engage in a dialogue and negotiations with companies.

On the one hand, the delegates' dismissal affected their relationship with the workers and their capacity to represent their demands vis-à-vis the company. The anti-union actions of the companies were also a means to discipline workers, given the companies' ability to identify individual activists and block them unilaterally without the possibility to appeal the measure. All of this was possible due to the lack of public intervention to regulate the relationship between platform companies and delivery riders and the right of self-organising workers to engage in trade union activities and to have union representation. The limits to accumulating institutional power resources were reinforced due to the open opposition of some traditional trade unions to recognise an independent organisation of the platform workers.

5. Discussion and conclusion

The window of opportunity and limits of the organisation of platform workers

The self-organising process of delivery workers in Argentina presents features similar to those that took place in very different national contexts.

In the initial phase of the APP, power resources of workers concentrated on their associational capacity and willingness to engage in collective action on the part of a core group of workers, who led the process of demand aggregation and representation before the companies.

The capacity to associate was sustained by pre-existing networks and identities based mainly on the shared migrant condition of workers. These networks were amplified from two main channels. The convergence of workers in public spaces, free from direct managerial supervision (A Tassinari and V Maccarrone, 2020), and the construction of online communities (V Lehdonvirta, 2016). The latter was central to the coordination of the first digital strike of delivery platform workers in Latin America.

Although workers took advantage of their potential power derived from their strategic position in the on-demand distribution process to force the company to raise rates, it is also true that this is a common resource used by platforms to regulate the availability of workers according to the flows of demand. The success of the strike was limited since the company rejected the most substantive demands presented by the workers. However, from this initial experience, the workers advanced towards the institutionalisation of a union organisation with the ambition of being recognised as a first-level union entity.

In this process, the workers appealed to a wide repertoire of collective actions,[20] including the organisation of assemblies, the execution of direct actions – strikes and mobilisations – opening channels of negotiation with the company, organising public marches and disseminating their demands in various mass media. In this way, the workers managed to make visible and advance in the public debate the contradictions between the self-management model offered by the platforms and the strict control exercised by the companies over the organisation of work. However, the company adopted an intransigent position, blocking (firing) the main spokespersons of the incipient organisation and deepening disciplinary control mechanisms.

Due to the blocking of the platform, the members of the Executive Commission faced a serious restriction on representing the workers in the disputes with the companies, and what is equally important, the anti-union measures sent a disciplinary message to the rest of the union members. The lack of recognition of the labour relationship and the right to organise not only meant that the representatives did not obtain legal projection but also that the association was unable to promote membership and obtain financial resources.

This scenario posed strong challenges for APP to incorporate new workers into the organisation who had not gone through the organisational process, nor had they experienced the drastic change in the algorithmic management model.

As the organisation's main activists were exposed to the control and sanction mechanisms, the possibilities of expanding solidarity ties with the new contingents of workers were seriously affected. In addition, the fact that many workers value the autonomy to connect and disconnect from the platforms generates objections in relation to the contractual definition as dependent workers (A Tassinari and V Macarro, 2020). Even though both dimensions are not contradictory (JM Ottaviano, J O'Farrell, and M Maito, 2019), they also created obstacles to strengthen the associative power of workers, especially in a context of strong restrictions on union activity.

It is important to note that, at the same time that the company implemented extreme measures to weaken the position of the founding members of APP, it was expanding in the local market, which allowed it to recruit a large number of workers to join the platform. The success of the massive call for workers, available on demand, found a favourable terrain in a context described by wide reservoirs of labour force.

On the other hand, the oversupply of workers linked to the platforms promoted greater competition for the allocation of orders, which further undermined the low market power of workers and their willingness to join collective actions. In this context, companies have a greater margin of action to implement incentives for workers to connect to the platform and thus hinder collective actions that have a disruptive impact on the activity.

As previously analysed, the Gig economy model amplifies the ability of companies to control and discipline workers. Although the workers cannot fully decipher the operation of the algorithm, they know that not reaching certain performance parameters has very negative consequences, to the extreme of being blocked, temporarily, or even permanently, with the risk of becoming unemployed.

The current scenario allows us to understand the particular context in which workers were able to effectively use pre-existing social networks, organise themselves, coordinate collective actions, and find a union that represented their interests. In this sense, the foundation of the APP coincided with a unique window of opportunity, when workers were able to display highly relevant organisational capacities in a context of scarce material resources and in the absence of legal and institutional protection and any support from traditional unions. Within this particular context, the APP has tried to turn an exception into a virtue, as it decided to adopt an offensive institutional strategy to accumulate power resources with the aim of 'forcing' state authorities to adopt regulatory action to overcome the economic structural limitations of gig workers.

The APP case illustrates the serious difficulties faced by platform workers' organisations, insofar as national states do not guarantee workers' rights to have representative organisations and access to collective bargaining.

This does not imply underestimating the learning processes and organisational resources incorporated into the repertoire of union action. In fact, workers have continued to take direct action measures, even in extremely unfavourable scenarios.

In the context of the COVID-19 pandemic, the precarious situation of workers was dramatically exposed. Although the activity of delivery platforms was declared essential in most of the countries where restrictions on movement were established, workers continued to carry out their tasks without adequate protocols or provision of sufficient materials for personal care and hygiene by the companies. In response to this situation, organisations that represent these workers have already called for three international stoppages of distributors from Rappi, Glovo, PedidosYa, and Uber Eats, which were joined by organisations in Brazil, Chile, Ecuador, Costa Rica, Argentina, and Mexico, with the aim of making visible the flagrant contradiction that implies that a highly precarious group is in turn considered among the essential workers (L Perelman, 2020).

In this sense, digital connectivity, essential for working on platforms, has played a very relevant role in the organisational processes of workers. The protest actions that took place almost simultaneously in different cities around the world made visible the relevance of digital communities to coordinate collective actions, even at a transnational level, allowing rapid virilisation of information and, ultimately, building associative power.

The recognition of the employment status of platform workers, and their right to organise in unions, has implications that go beyond this activity. On the one hand, the recognition of this right would set a fundamental precedent in the context of the current transformations of the productive system of labour relations, including advances in technological intermediation, the dispersion of the workforce and the expansion of atypical forms of employment.

This is key for workers to access rights and benefits in terms of social protection, collective representation, work and rest time, extension of the working day, establishment of minimum income scales, coverage of occupational risks, and paid leave. The need (or not) to introduce special statutes that regulate these new forms of employment that incorporate flexible work schemes, for example, the right to disconnect from platforms, remains on the agenda for debate.

Finally, given the negative impact of the processes to which we refer related to the capacities of the organisation, the aggregation of demands, and the representation of interests in atypical or informal forms of employment, the case of APP could provide a learning environment for the design of new forms of union organisation and action with a view to the revitalisation of trade unionism.

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Notes

1 See S Schmalz, C Ludwig and E Webster, 2018

2 On the basis of a semi-structured questionnaire, six persons were interviewed in depth: three workers from the sector with links to the APP, two legal representatives, and an expert in trade union issues. The questionnaire for workers covers various dimensions, including occupational identity and personal experience with the process of organising platform workers in the City of Buenos Aires. The interviews with legal representatives and the trade union expert focused on business models and company organisation, the different modalities of the most important service platforms to manage and organise work, the process of union organisation, and the institutional context.

3 According to ILO data, 61.2% of workers are informally employed, mainly in informal productive units and self-employment but also as undeclared workers in the formal sector of the economy (J Viser, 2019)

4 Further studies questioned the methodological assumptions of Frey and Osborne and, therefore, the apocalyptic projections that this study foreshadowed. A first criticism refers to the assimilation between occupation and tasks. By imputing the risk of substitutability to the full occupation and not to tasks associated with said occupation, these authors would have overestimated the impact of technological change (J Weller, S Gontero and S Campbell, 2019)

5 Globally, it is estimated that the unionisation rate was reduced by half between 1990 and 2016, from 36% to 18% (J Visser, 2019).

6 See examples in R Hyman and R Gumbrell-McCormick (2017) and J Visser (2019).

7 Working-class 'associational power' refers 'various forms of power that result from the formation of collective organizations of workers' E O Wright (2020:962).

8 V Trappmann et al. (2020) registered 527 incidents of labour unrest in 36 countries, involving 19 delivery platforms for the period 1 January 2017 to May 2020. Informal groups of workers were the main actors behind labour unrest, mainly in Asia and South America.

9 See, for example, K Vandaele (2020), A Tassinari and V Maccarrone (2020), and L Perelman et al. (2020)

10 An interesting case is that of Spain, which recently passed a law that recognises the delivery workers as employees. Also, legislation, which is very relevant, requires digital platforms to be transparent about how their algorithms affect working conditions. The position of the platforms Deliveroo and Glovo has been to reject the law. In this sense, Deliveroo, has announced that it plans to withdraw its operations outside of Spain completely. In this way, the delivery platforms resist any regulation that limits the gig model, see https://braveneweurope.com/gig-economy-project-analysis-capital-flight-and-legislative-sabotage-deliveroo-and-glovo-refuse-to-play-ball-with-the-riders-act-in-spain.

11 Differences observed between countries can be consulted, among others, K Vandaele (2020); A Tassinari and V Maccarrone (2020); A Gurumurthy, N Chami, and D Bharthur (2021); and K Vandaele (2021).

12 In 2020 this company withdrew from the Argentine market.

13 For more details see J Madariaga et al. (2019) and E L Mourelo (2020).

14 The 'disembarkment' of the platforms coincided with an important migratory wave from Venezuela. While between 2011 and 2015, only 14,140 applications had been processed, in the period of 2016–2018, 114,539 migrants from Venezuela obtained permanent or temporary residence (www.argentina.gob.ar/interior/migraciones/estadisticas).

15 In 2018, the unemployment rate was approximately 9% and around a third of wage earners were informal; that is, employers did not make contributions to social security. See INDEC, technical report, 2018.

16 www.iprofesional.com/legales/297230-suspension-de-rappi-glovo-y-pedidosya-la-verdadera-pelea-de-fondo.
17 It is important to highlight that the self-organisation of precarious and informal workers has a strong tradition in Argentina. Many of the organisations originated from the greatest economic and social crisis that the country went through around the 2000s as a product of neoliberal policies that had a profound impact on the national productive network. In relation to the little intervention of the unions in the movement of recovered factories, see P Davolos and L Perelman (2005).
18 For example, the collective agreement signed by ASIMM includes a shop agency clause of 2% of the total wages of workers belonging to the activity (http://asimm.org.ar/cct/).
19 Other factors contributing to de-link union power from the size union member are repeated successes in exerting pressure on governments to obtain their demands, and their high labour mobilisation capacity, whose level can exceed their membership, on the occasion of conflicts (A Marshall and L Perelman, 2008).
20 The concept of repertoires of collective action, takes into account the transformation in the forms and contents of the repertoire, which implies the observation of the social learning process that is taking place in the longer term, see CH Tilly, 1986.

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